

**CITY OF FAIRFIELD**

**RESOLUTION NO. 2016 – 189**

**RESOLUTION OF THE CITY COUNCIL APPROVING THE AGREEMENT FOR  
CONTRACT SERVICES BETWEEN THE CITY OF FAIRFIELD AND LAMAR  
TRANSIT, LLC FOR TRANSIT ADVERTISING ON FAIRFIELD AND SUISUN  
TRANSIT BUSES, BUS SHELTERS, AND TRANSIT PASSENGER FACILITIES**

**WHEREAS**, Fairfield and Suisun Transit (FAST) wishes to obtain specialized transit advertising management services; and

**WHEREAS**, the Napa County Transportation and Planning Agency (NCTPA) released a call for proposals for transit advertising services and included FAST in the joint call; and

**WHEREAS**, NCTPA awarded the advertising services bid to Lamar Transit Advertising, LLC (Lamar); and

**WHEREAS**, FAST staff worked with NCTPA and Lamar to prepare an updated agreement for a thirty-five month term beginning on August 1, 2016 and that agreement meets all City requirements and adheres to the 2016 FAST Advertising Policy.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF FAIRFIELD HEREBY  
RESOLVES:**

Section 1. The Council of the City of Fairfield authorizes the City Manager or his designee to execute the agreement for contract services between the City of Fairfield and Lamar Transit Advertising, LLC for transit advertising on FAST buses, bus shelters, and transit passenger facilities.

**PASSED AND ADOPTED** this 19<sup>th</sup> day of July 2016, by the following vote:

AYES: COUNCILMEMBERS: PRICE/TIMM/BERTANI/MOY/VACCARO

NOES: COUNCILMEMBERS: NONE

ABSENT: COUNCILMEMBERS: NONE

ABSTAIN: COUNCILMEMBERS: NONE

  
MAYOR

ATTEST:



CITY CLERK

pw

**AGREEMENT FOR CONTRACT SERVICES BETWEEN CITY  
OF FAIRFIELD AND LAMAR TRANSIT, LLC  
FOR  
TRANSIT ADVERTISING ON FAST BUSES, BUS SHELTERS AND TRANSIT PASSENGER FACILITIES**

THIS AGREEMENT is made and entered into on July 29, 2016 by and between the City of Fairfield (hereinafter "CITY"), a California municipal corporation, and Lamar Transit, LLC, a Delaware limited liability company, (hereinafter "CONTRACTOR"). CITY and CONTRACTOR are each referred to herein as a Party, and collectively as "Parties".

**RECITALS**

WHEREAS, the CITY desires to obtain contract services to solicit and install transit advertising on its buses and bus shelters, as more particularly described in EXHIBIT A; and

WHEREAS, CONTRACTOR represents that it has the necessary professional expertise and skill to perform such services.

NOW, THEREFORE, the Parties agree as follows:

**SECTION 1. SCOPE OF SERVICES.**

CONTRACTOR shall perform those services specified in detail in EXHIBIT A, entitled "SCOPE OF SERVICES", which is attached to and incorporated into this Agreement.

**SECTION 2. TERM OF AGREEMENT.**

The term of this Agreement shall be from August 1, 2016 to June 30, 2019, inclusive, subject to the provisions of SECTION 11 of this Agreement. The Term of this AGREEMENT may be extended for two additional one-year option terms upon mutual agreement of the Parties at least sixty (60) days prior to the then-current expiration date.

**SECTION 3. SCHEDULE OF PERFORMANCE.**

CONTRACTOR shall provide services on an on-going basis throughout the term of this Agreement. Time is of the essence in this Agreement.

**SECTION 4. COMPENSATION.**

This is a revenue contract. Throughout the term of the Agreement, on a monthly basis, the CITY shall receive a 45% Revenue Share, calculated in accordance with this Section 4. CONTRACTOR agrees to make monthly payments to CITY and provide a full monthly accounting of advertising sold and relevant revenue and



expenses.

The Revenue Share calculation shall be based on net advertising space sales. The CITY shall receive 45% of the net advertising space sales proceeds ("Revenue Share"). The industry standard for the definition of net advertising space sales will apply, i.e. gross sales revenue less all art, production and installation fees ("Production Costs"). In the event advertising materials must be removed or replaced due to changes mandated by content not meeting advertising guidelines, the net advertising space sales reported will not be further reduced by the cost of art, production, removal or replacement.

#### **SECTION 5. METHOD OF PAYMENT.**

CONTRACTOR shall pay the CITY on a monthly basis on or before the 20<sup>th</sup> of the month for the previous month's Revenue Share. Each payment shall be accompanied by a statement setting forth the Revenue Share and the amortized Production Costs for that payment period.

#### **SECTION 6. INDEPENDENT CONTRACTOR.**

It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees), in the performance of the work and services agreed to be performed by CONTRACTOR, shall act as and be an independent contractor and not an agent or employee of the CITY; and, as an independent contractor, neither CONTRACTOR nor CONTRACTOR's employees shall have any rights to retirement benefits or other benefits that accrue to the CITY's employees and CONTRACTOR expressly waives any claim it or its employees may have to any such benefits or rights.

#### **SECTION 7. ASSIGNABILITY.**

The parties agree that the expertise and experience of CONTRACTOR are material considerations for this Agreement. CONTRACTOR shall not assign or transfer any interest in this Agreement nor the performance of any of CONTRACTOR's obligations hereunder, without the prior written consent of the CITY, and any attempt by CONTRACTOR to so assign or transfer this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

#### **SECTION 8. INDEMNIFICATION AND WAIVER OF SUBROGATION.**

##### **A. INDEMNITY.**

CONTRACTOR shall indemnify and hold harmless the CITY, its officers, officials, employees and volunteers from and against all actions, causes of actions, damages, costs, liabilities, claims, losses, judgments,

penalties and expenses of every type and description, including without limitation any fees and/or costs incurred by the CITY's attorneys and any and all costs, fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "liabilities"), arising out of or in connection with any negligent act or omission, misconduct or other legal fault of CONTRACTOR, its officers, employees, subconsultants, subcontractors or agents in connection with the performance or nonperformance of this Agreement, whether or not the CITY accepted or approved any service or work product performed or provided by CONTRACTOR hereunder, and whether or not such liabilities are litigated, settled or reduced to judgment. In the event that a final decision or judgment allocates liability by determining that any portion of damages awarded is attributable to the CITY's negligence or willful misconduct, the CITY shall pay the portion of damages which is allocated to the CITY's negligence or willful misconduct, provided that the CITY shall not be liable for any passive negligence of the CITY, its officers, officials, employees and volunteers in reviewing, accepting or approving any service or work product performed or provided by CONTRACTOR.

**B. OBLIGATION TO DEFEND.**

CONTRACTOR shall, upon the CITY's request, defend with counsel approved by the CITY (which approval shall not be unreasonably withheld), at CONTRACTOR's sole cost and expense, any action, claim, suit, cause of action or portion thereof which asserts or alleges liabilities resulting from any allegedly negligent act, omission, misconduct or other legal fault of CONTRACTOR, its officers, employees, subconsultants, subcontractors or agents in connection with the performance or nonperformance of this Agreement, whether or not such action, claim, suit, cause of action or portion thereof is well founded or lacking in merit.

**C. INSURANCE POLICIES; TERMINATION.**

Acceptance of insurance certificates or endorsements required under this Agreement in SECTION 9 does not relieve CONTRACTOR from liability under this SECTION 8 and shall apply to all damages and claims of every kind suffered, or alleged to have been suffered, by reason of CONTRACTOR's negligence, misconduct, or other legal fault regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The provisions of this SECTION 8 shall survive any termination of this Agreement.



## **SECTION 9. INSURANCE REQUIREMENTS.**

CONTRACTOR shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, its agents, representatives, or employees.

### **A. MINIMUM SCOPE AND LIMITS OF INSURANCE**

1) Commercial General Liability coverage (occurrence Form CG 00 01) with minimum limits of \$1,000,000 per occurrence for bodily injury, personal injury, products and completed operations, and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability coverage (Form CA 00 01 with Code 1 – any auto) with minimum limits of \$1,000,000 per accident for bodily injury and property damage.

3) Workers' Compensation insurance as required by the State of California and Employers' Liability insurance, each in the amount of \$1,000,000 per accident for bodily injury or disease.

### **B. INDUSTRY SPECIFIC COVERAGES**

If checked below, the following insurance is also required.

- ☐ Professional Liability Insurance / Errors and Omissions Liability in the minimum amount of \$1,000,000 per occurrence.
- ☐ Pollution Liability Insurance in the minimum amount of \$1,000,000 per occurrence
- ☐ Garage Keepers Insurance in the minimum amount of \$1,000,000 per occurrence
- ☐ Fidelity / Crime / Dishonesty Bond in the minimum amount of \$\_\_\_\_\_
- ☐ MCS-90 Endorsement to Business Automobile insurance for transportation of hazardous materials and pollutants
- ☐ Builder's Risk / Course of Construction Insurance in the minimum amount of \$\_\_\_\_\_.

### **C. INSURANCE PROVISIONS**

#### **1) Deductibles and Self-Insured Retentions.**

Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the CITY, its officers, officials, employees and volunteers; or the CONTRACTOR shall procure a bond guaranteeing



payment of losses and related investigations, claim administration and defense expenses.

- 2) The general and automobile liability policies (and if applicable, pollution liability, garage keepers liability and builder's risk policies) are to contain, or be endorsed to contain, the following provisions:
  - i. The CITY, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the CONTRACTOR; products and completed operations of the CONTRACTOR; premises owned, occupied or used by the CONTRACTOR; and automobiles owned, leased, hired or borrowed by the CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to the CITY, its officers, officials, employees or volunteers.
  - ii. For any claims related to this project, the CONTRACTOR's insurance coverage shall be primary insurance as respects the CITY, its officers, officials, employees and volunteers. Any insurance or self-insured maintained by the CITY, its officers, officials, employees or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
  - iii. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the CITY, its officers, officials, employees or volunteers.
  - iv. The CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  - v. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the CITY.
  - vi. The policy limits of coverage shall be made available to the full limits of the policy. The minimum limits stated above shall not serve to reduce the CONTRACTOR's policy limits of coverage. Therefore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.
- 3) Acceptability of Insurer. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the CITY.
- 4) Verification of Coverage. CONTRACTOR shall furnish the CITY with original endorsements effecting coverage required by SECTION 9 herein. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the CITY or on forms equivalent to CG 20 10 11 85 subject to CITY approval. All insurance certificates and endorsements are to be received and approved by the CITY before work commences. At the request of the CITY, CONTRACTOR shall provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these



specifications.

- 5) Sub-contractors. CONTRACTOR shall require all subcontractors to procure and maintain insurance policies subject to the requirements of SECTION 9 herein. Failure of CONTRACTOR to verify existence of sub-contractor's insurance shall not relieve CONTRACTOR from any claim arising from sub-contractors work on behalf of CONTRACTOR.

#### **SECTION 10. NONDISCRIMINATION.**

CONTRACTOR shall not discriminate in any way against any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age or sexual orientation in connection with or related to the performance of this Agreement.

#### **SECTION 11. TERMINATION.**

- A. CONTRACTOR or the CITY shall have the right to terminate this Agreement, in whole or in part, by either party, without cause, by giving not less than thirty (30) days' written notice of termination.
- B. Upon the expiration or earlier termination of this Agreement, Lamar agrees to assign to the CITY all advertising contracts on the CITY buses and bus shelters for advertising produced and provided, and such contracts shall there upon become property of the CITY. All pertinent contracts, billing and account information for purposes of assigning accounts will be provided by CONTRACTOR TO the CITY.
- C. For a period of one hundred twenty (120) days following the expiration or termination of this Contract, the CITY agrees to pay CONTRACTOR twenty (20) percent of the net advertising space sales proceeds (calculated in accordance with Section 4) from such contracts that extend beyond the expiration or early termination of the Agreement, plus all of CONTRACTOR'S unrecovered amortized production of such advertising contracts. Upon mutual agreement the CITY and CONTRACTOR may meet in good faith to determine a lump sum payment to CONTRACTOR to reimburse CONTRACTOR for estimated unrecovered amortized advertising Production Costs and provide a twenty percent (20%) share of net advertising space sales proceeds for one hundred twenty (120) days following early termination of the Agreement. CONTRACTOR shall not be

entitled to any payments pursuant to this Section 11.C if this Agreement is terminated due to CONTRACTOR's default.

- D. Any payment to CONTRACTOR of Revenue Share pursuant to this section shall be made by the CITY within one hundred fifty (150) days following the expiration or early termination of the Contract, unless otherwise agreed, in writing, by the parties.
- E. If the Agreement is terminated prior to expiration of the term for convenience, CONTRACTOR shall be paid its costs as provided in Section 11.C hereinabove, on work performed up to the time of termination, unless this Agreement is terminated due to CONTRACTOR's default. The CITY shall not be responsible for payment for any work performed after the time of termination. After termination, CONTRACTOR shall promptly submit to the CITY its invoice for unrecovered amortized Production Costs.
- F. If CONTRACTOR fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, the CITY may terminate this Agreement immediately upon written notice (default).
- G. The CITY may terminate this Agreement immediately, upon written notice, if any challenge is made to the CITY's Advertising Policy, or any federal, state, or local, statute, regulation, ordinance, ruling, determination, order, or direction, invalidates in whole or in part the CITY's Advertising Policy (default).
- H. The CITY's authorized designee is empowered to terminate this Agreement on behalf of the CITY.
- I. In the event of termination, CONTRACTOR shall deliver to the CITY copies of all existing advertising contracts, reports, documents, and other work performed by CONTRACTOR under this Agreement.



**SECTION 12. GOVERNING LAW.**

The CITY and CONTRACTOR agree that the law governing this Agreement shall be that of the State of California.

**SECTION 13. COMPLIANCE WITH LAWS.**

CONTRACTOR shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments.

**SECTION 14. CONFIDENTIAL INFORMATION.**

All data, documents, discussions, or other information developed or received by or for CONTRACTOR in the performance of this Agreement are confidential and not to be disclosed to any person except with the prior written permission of the CITY, or as required by law.

**SECTION 15. OWNERSHIP OF MATERIALS.**

All reports, documents or other materials developed or discovered by CONTRACTOR or any other person engaged directly or indirectly by CONTRACTOR to perform the services required hereunder shall be and remain the property of the CITY without restriction or limitation upon their use by the CITY.

**SECTION 16. WAIVER.**

CONTRACTOR agrees that waiver by the CITY of any breach or violation of any term or condition of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by the CITY of the performance of any work or services by CONTRACTOR shall not be deemed to be a waiver of any term or condition of this Agreement.

**SECTION 17. CONTRACTOR'S BOOKS AND RECORDS.**

A. CONTRACTOR shall maintain any and all ledgers, books of account, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to the CITY for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to CONTRACTOR pursuant to this Agreement.

B. CONTRACTOR shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

C. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit at any time during regular business hours upon written request by the CITY 's Legal Counsel or Transportation Manager, or a designated representative of either of these officers. Copies of such documents shall be provided to the CITY for inspection at the CITY's office when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at CONTRACTOR's address indicated for receipt of notices in this Agreement.

D. Where the CITY has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of CONTRACTOR's business, the CITY may, by written request by any of the above-named officers, require that custody of such records and documents be given to the CITY and that such records and documents shall be maintained at the CITY's office. Access to such records and documents shall be granted to any party authorized by CONTRACTOR, CONTRACTOR's representatives, or CONTRACTOR's successor-in-interest during regular business hours.

**SECTION 18. CONFLICT OF INTEREST.**

CONTRACTOR shall avoid all conflict of interest or appearance of conflict of interest in the performance of this Agreement.

**SECTION 19. NOTICES.**

All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be personally served or mailed, postage prepaid and addressed to the respective parties as follows:

**TO the CITY:**

City of Fairfield  
2000 Cadenasso Drive  
Fairfield, CA 94533  
ATTENTION: Nathaniel Atherstone, Transportation Manager

**TO CONTRACTOR:**

Lamar Transit, LLC  
2725 Riverside Blvd., Suite 2100  
Sacramento, CA 95814  
ATTENTION: Brad Staten, General Manager/VP CA Transit



Notice shall be deemed effective on the date personally delivered or, if mailed, three (3) days after deposit in the mail.

**SECTION 20. VENUE.**

In the event that suit shall be brought by either party to this Agreement, the parties agree that venue shall be exclusively vested in the state courts of the County of Solano or, where otherwise appropriate, exclusively in the United States District Court, Eastern District of California, Sacramento, California.

**SECTION 22. INTERPRETATION.**

Each party has reviewed this Agreement and any question of doubtful interpretation shall not be resolved by any rule or interpretation providing for interpretation against the drafting party. This Agreement shall be construed as if both parties drafted it. The captions and headings contained herein are for convenience only and shall not affect the meaning or interpretation of this Agreement.

**SECTION 23. SIGNATOR'S WARRANTY.**

Each party warrants to each other party that he or she is fully authorized and competent to enter into this Agreement in the capacity indicated by his or her signature and agrees to be bound by this Agreement.

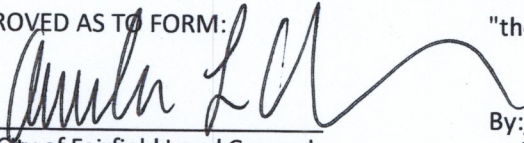
**SECTION 24. PRIOR AGREEMENTS AND AMENDMENTS.**

This Agreement, including all attached Exhibits, represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement.

**The parties have executed this Agreement as of the date first written above.**

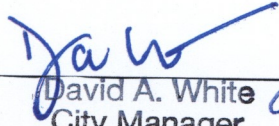
APPROVED AS TO FORM:

By:

  
City of Fairfield Legal Counsel

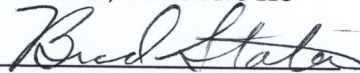
"the City"

By:

  
David A. White  
City Manager  
"CONTRACTOR"

Lamar Transit, a Delaware LLC

By:

  
Brad Staten, General Manager/VP CA Transit



## EXHIBIT A

### SCOPE OF SERVICES

CONTRACTOR shall provide any and all Transit Advertising Services (set forth below), in accordance with its written proposal dated March 14, 2014, attached as Exhibit C, in order to generate the maximum amount of revenue possible from the sale and placement of advertising on buses and transit related facilities, subject to the CITY's adopted Advertising Policy (Exhibit B)..

CONTRACTOR'S Transit Advertising Services shall include, but not be limited to:

1. The sale, placement, and installation of advertisements in and/or on the CITY's bus vehicle fleet, selected bus shelters and passenger facilities:
  - a) Bus vehicle advertising may be placed on the CITY bus vehicles, bus shelters and Passenger Facilities listed within Exhibit A-1 entitled "City of Fairfield Bus Fleet, Bus Shelter and Passenger Facility Inventory List," which is attached to and incorporated herein by this reference.
  - b) Permitted advertising that can be placed on the CITY bus vehicles, bus shelters and at Passenger Facilities is detailed within Exhibit A-2 entitled "Permitted Advertising Displays and Products For City of Fairfield".
  - c) The CITY reserves the right to place advertisements for self-promotions or general welfare public service announcements at no charge.
    - i. Fifty percent (50%) of the interior bus advertising space, as designated by the CITY, of each bus shall be reserved for this purpose, unless otherwise noted by the CITY in writing.
    - ii. Twenty-five percent (25%) of the advertising space on the rear of the local fixed route bus fleet, which are not used for intercity bus service, shall be reserved for this purpose, unless otherwise noted by the CITY in writing.
    - iii. General welfare public service announcements will be considered non-commercial advertising related to products and services sponsored by a government entity located in the State of California that does not otherwise conflict with the CITY's mission and goals.
2. Any damage caused to the exterior/interior of buses, bus shelters and passenger facilities, such as, but not limited to, paint discoloration caused by direct application of advertising shall be repaired by CONTRACTOR to the CITY's satisfaction, at CONTRACTOR'S sole cost and expense.



3. The intent of this Agreement is to maximize the revenues generated by the sale of transit-related advertising media. CONTRACTOR should display creativity in identifying and bringing to the CITY's attention, additional advertising opportunities beyond those already noted (i.e. on buses, bus shelters and facilities). –

Examples of advertising opportunities not previously addressed that the CITY may entertain during the course of this Agreement include:

- a) ELECTRONIC ADVERTISING INFORMATIONAL SIGNS.
- b) WEBSITE: Banner advertising or similar on websites.
- c) OTHER MEDIA. Fare media, schedules, time tables etc.
- d) KIOSKS: kiosk advertising at facilities that are compliant with all local regulations.

4. CONTRACTOR shall use its best efforts to sell the maximum amount of space that is available, with the exception of the advertising space identified in Section 1.c of this Scope of Services.

5. CONTRACTOR shall arrange with the CITY convenient times for installing, maintaining, repairing, removing and replacing advertising signs on the CITY buses to prevent any disruptions to transit services and ensure a professional image of the CITY.

6. CONTRACTOR shall schedule installations, removals and all work associated with advertising on buses in such a way as to not preclude any vehicle from being placed into transit revenue service. The CITY transit operations must take priority over activity relating to placement, removal or any activity associated with advertising on the buses.

7. CONTRACTOR shall remove outdated advertising, and advertising that, in the CITY's sole discretion, violates the CITY's advertising guidelines adopted by the City of Fairfield City Council (see Item 11 below). Such advertising shall be removed within twenty-four (24) hours of the point at which CONTRACTOR was aware of the advertising being obsolete or inappropriate.

8. The CITY retains the right to require the Contractor to repair damage to illustrated buses, bus shelters and passenger facilities, should the damage be caused by the application or removal of advertising. Such repair shall be made within twenty-four (24) hours of the point at which CONTRACTOR was made aware of the damage, and any repairs must be made to the satisfaction of the CITY.

9. CONTRACTOR shall ensure that all the CITY logos, which distinguish the agency and type of service (i.e. Solano Express), are fully visible and not covered (in whole or partially) by any advertising. However, CONTRACTOR may request for written permission to install advertising such as bus wraps, which may prevent full visibility of logos, by ensuring that logos are designed into the actual advertising installed or the logo is



relocated on the vehicle in a mutually agreed manner. In this case, CONTRACTOR must receive prior written approval from the CITY before such advertising is produced and installed.

10. CONTRACTOR personnel shall wear a distinguishable name tag/identification card and appropriate safety gear while working at the CITY locations.

11. The CITY has adopted advertising guidelines, attached as EXHIBIT B, entitled City of Fairfield Advertising Policy, setting forth standards of acceptability for advertising on the CITY buses (interior and exterior), bus shelters and at transit passenger facilities. The City of Fairfield Advertising Policy formally establishes criteria for which advertising displays on or at the CITY transit property can be displayed. CONTRACTOR shall adhere to these standards and confer with the CITY's designated Point of Contact (POC) before accepting any advertising for placement. The determination of whether specific advertisements and/or artwork are consistent with the Advertising Policy shall be at the sole discretion of the CITY.

12. Production Costs: CONTRACTOR shall be solely responsible for any and all cost or expense related to soliciting, producing, creating, installing, maintaining, servicing, repairing, or replacing any advertisement.

13. This Agreement does not grant CONTRACTOR any rights to determine how often or on what routes any fleet vehicle is to operate.

14. Recovery of Damages: In the event that CONTRACTOR fails to meet the requirements of Sections 1, 7, 8, and 9 of this Scope of Services, the CITY reserves the right to remove advertising or repair damages caused by CONTRACTOR and assess liquidated damages for each hour beyond the required response times specified in Sections 7 and 8. In this case, CONTRACTOR will be fully responsible for:

- a) Reimbursing the CITY for all expenses incurred in removing advertising and/or repairing any damage caused by the removal of advertising, and
- b) Payment of \$100 per hour for each hour beyond the required response times identified in Sections 7 and 8 of this Scope of Services.

CONTRACTOR shall submit to the CITY payments for reimbursement pursuant to this Section 14 within 30 days of receipt of all invoices, together with payment of any liquidated damages assessed.

15. At the beginning of each contract year, the CITY will provide CONTRACTOR with the planned replacement schedule for buses, bus shelters and passenger facilities by July 1st of each contract year. CONTRACTOR shall be aware of any planned replacements as advertising is sold and installed, and the CITY shall not be penalized for the removal of advertising on any CITY property as a result of their replacement. The CITY also reserves the right to deviate from the replacement schedule in situations beyond the CITY's control (i.e. bus/shelter replacement due to an accident or natural disaster).



The CITY shall:

1. Make available advertising space ("Base Advertising Space") on its bus vehicle fleet, selected bus shelters and at passenger facilities, except as otherwise noted in this Scope of Services.
2. Make vehicles available for installation, removal, and all activity related to placement or replacement of advertising without compromising the CITY's ability to provide transit service to the public.
3. Make a good faith effort to keep CITY buses, bus shelters and passenger facility kiosks in a reasonably clean condition, so as not to impair the ability of CONTRACTOR to sell and renew advertising accounts. However, the CITY does not guarantee the cleanliness of its buses, bus shelters or transit passenger facilities or that of CONTRACTOR's signs installed on the CITY buses, bus shelters or at transit passenger facilities.

**EXHIBIT A-1**

**City of Fairfield Bus Fleet, Bus Shelter, and Passenger Facility Inventory List**

In accordance with the Agreement, advertising may be placed on the CITY bus vehicles, bus shelters and passenger facilities listed below:

**1. FAST Fixed-Route Bus Fleet**

<b>Bus Number</b>	<b>Make</b>	<b>Model Year</b>	<b>V. I. N. #</b>	<b>Length</b>	<b>Status</b>	<b>Style</b>
647	Gillig	2002	15GCB201721110514	35'	Active	Transit
648	Gillig	2002	15GCB201921110515	35'	Active	Transit
649	Gillig	2002	15GCB201021110516	35'	Active	Transit
650	Gillig	2002	15GCB201221110517	35'	Active	Transit
651	Gillig	2002	15GCB201421110518	35'	Active	Transit
652	Gillig	2002	15GCB201621110519	35'	Active	Transit
653	Gillig	2002	15GGB221121072552	35'	Active	Low Flr
3668	Gillig	2003	15GCD201731111920	40'	Active	Suburban
3669	Gillig	2003	15GCD201931111921	40'	Active	Suburban
7620	Gillig	2007	15GGB211271078191	35'	Active	Low Flr
7621	Gillig	2007	15GGB211471078192	35'	Active	Low Flr
7622	Gillig	2007	15GGB211671078193	35'	Active	Low Flr
7623	Gillig	2007	15GGB211871078194	35'	Active	Low Flr
7629	Gillig	2007	15GGB211X71078195	35'	Active	Low Flr
7630	Gillig	2007	15GGB211171078196	35'	Active	Low Flr
7633	Gillig	2007	15GGB211371078197	35'	Active	Low Flr
9625	Gillig	2009	15GGB271891176426	35'	Active	Low Flr
9626	Gillig	2009	15GGB271XP1176427	35'	Active	Low Flr
9635	Gillig	2009	15GGB271191176428	35'	Active	Low Flr
9636	Gillig	2009	15GGE301691091768	29'	Active	Low Flr
11631	Gillig	2011	15GGE271XB1091892	29'	Active	Low Flr
11632	Gillig	2011	15GGE2711B1091893	29'	Active	Low Flr
11645	Gillig	2011	15GGE2711B1091891	29'	Active	Low Flr
13640	Gillig	2013	15GGD3017D1182429	40'	Active	Low Flr
13641	Gillig	2013	15GGD3013D1182430	40'	Active	Low Flr
13642	Gillig	2013	15GGD3015D1182431	40'	Active	Low Flr
13643	Gillig	2013	15GGD3019D1182433	40'	Active	Low Flr
13644	Gillig	2013	15GGD3017D1182432	40'	Active	Low Flr
13654	Gillig	2013	15GGD3010D1182434	40'	Active	Low Flr



## 2. FAST DART Paratransit Fleet

Bus Number	Make	Model Year	V. I. N. #	Length	Status	Style
7708	Ford	2007	1FDXE45S07DB47628	22'	Active	Paratransit
7709	Ford	2007	1FDXE45S67DB47617	22'	Active	Paratransit
11700	Ford	2011	1FDXE4FS0BDA54207	22'	Active	Paratransit
11703	Ford	2011	1FDXE4FS2BDA54208	22'	Active	Paratransit
11704	Ford	2011	1FDXE4FS9BDA54321	22'	Active	Paratransit
14701	Ford	2014	1FDXE456EDA23712	22'	Active	Paratransit
14702	Ford	2014	1FDXE4FS8EDA23713	22'	Active	Paratransit
16705	Ford	2015	1FDXE4FS8GDC03292	22'	Active	Paratransit
16706	Ford	2015	1FDXE4FS6GDC03291	22'	Active	Paratransit
16707	Ford	2015	1FDXE4FS9GDC03298	22'	Active	Paratransit
16708	Ford	2015	1FDXE4FS5GDC03296	22'	Active	Paratransit
16709	Ford	2015	1FDXE4FS1GDC03294	22'	Active	Paratransit

## 3. SolanoExpress Bus Fleet

Bus Number	Make	Model Year	V. I. N. #	Length	Status	Style
670	MCI	2003	1M8PDMPA23P055944	45'	Active	Commuter Coach
671	MCI	2003	1M8PDMPA43P055945	45'	Active	Commuter Coach
672	MCI	2003	1M8PDMPA63P055946	45'	Active	Commuter Coach
673	MCI	2003	1M8PDMPA83P055947	45'	Active	Commuter Coach
674	MCI	2003	1M8PDMPAX3P055948	45'	Active	Commuter Coach
675	MCI	2003	1M8PDMPA13P055949	45'	Active	Commuter Coach
676	MCI	2003	1M8PDMPA83P055950	45'	Active	Commuter Coach
677	MCI	2003	1M8PDMPA34P056165	45'	Active	Commuter Coach
678	MCI	2003	1M8PDMPA54P056166	45'	Active	Commuter Coach
679	MCI	2001	1M8PDMPA01P053963	45'	Active	Commuter Coach
680	MCI	2003	1M8PDMPA13P055630	45'	Active	Commuter Coach
681	MCI	2003	1M8PDMPA33P055631	45'	Active	Commuter Coach
682	MCI	2003	1M8PDMPA13P055627	45'	Active	Commuter Coach
683	MCI	2003	1M8PDMPA33P055628	45'	Active	Commuter Coach
684	MCI	2003	1M8PDMPA33P055614	45'	Active	Commuter Coach
685	MCI	2003	1M8PDMPA93P055617	45'	Active	Commuter Coach
686	MCI	2003	1M8PDMPA23P055636	45'	Active	Commuter Coach
687	MCI	2003	1M8PDMPA43P055637	45'	Active	Commuter Coach
688	MCI	2003	1M8PDMPA83P055639	45'	Active	Commuter Coach



#### 4. FAST Bus Shelters

Bus Stop ID	Location	Address	X Coordinate	Y Coordinate
16	Kentucky St. and Union Ave.	1066 Union Ave, Fairfield	38.251511907593	-122.040828298522
24	Union Ave. and Louisiana St.	1000 Union Ave, Fairfield	38.2527190123316	-122.040359622323
105	Atlantic Ave. and Orchid St. (Walmart)	No address available. Located on Atlantic Ave between Texas St and Orchid St	38.2764926115939	-122.035976368272
163	Merganser Dr and Wigeon Way (Suisun Senior Center)	369 Merganser Dr., Suisun City	38.2466482775763	-122.018443509009
232	Pintail Dr. and Harrier Dr.	1301 Pintail Dr., Suisun City	38.2483320456366	-121.995337080742
237	Pennsylvania Ave. and Kentucky St.	852 Pennsylvania Ave, Fairfield	38.2509451025650	-122.049779191521
319	West Texas St. and 5th St	1779 W Texas St, Fairfield	38.2491873340845	-122.060228094029
510	Dover Wood Apartments	2779 Dover Ave, Fairfield	38.2816434298711	-122.025047281638
	Business Center Dr East	No address available	38.229900	-122.119825
	Business Center Dr West	No address available	38.231759	-122.116870
	Business Center Dr and Executive Ct	No address available	38.228943	-122.124563

#### 5. Fairfield Transportation Center (2000 Cadenasso Drive, Fairfield, CA 94533)



## **EXHIBIT A-2**

### **City of Fairfield Permitted Advertising Products for CITY Buses, Bus Shelters, and Passenger Facilities**

In accordance with the Agreement, advertising may be placed on the CITY bus vehicles, bus shelters and passenger facilities (AS LISTED IN Exhibit A-1) within the stated limits:

All bus advertising products with sizes greater than a KONG (3'6"x 19") shall be permitted only by pre-approval of the CITY on a case by case basis.

DISPLAY TYPE	SIZE	QUANTITY/LIMIT
KING	30" X 144"	None
QUEEN	30" X 88"	None
TAIL	21" X 70"	None
SUPER TAIL	2'6" X 7'	None
FULL BACK	9' X 7'	None
EMPRESS	42" X 114"	None
SUPER KING	30" X 216"	None
KONG	3'6" X 19"	None
SUPER SQUARE*	9' X 12'	Limit 4
KING KONG*	9' X 19'	Limit 4
HEADLINER	1' X 40'	None
EXTENSIONS	VARIABLE	N/A
INTERIOR CARDS	10.5" X 36"	None
BUS SHELTERS	42" WIDE X 70" TALL	None
FULL SIDE*	9' X 35'	Limit 4
FULL WRAP*	2 Full Side + Full Back	Limit 4

\* – Pre-Approval Required

EXHIBIT B  
CITY ADVERTISING POLICY  
[to be added]





# City of Fairfield

## FAST Advertising Policy

### A. Revenue Advertising Program

1. Objective is to provide moderate level advertising opportunities that do not significantly detract from vehicle identity for advertising revenues by allowing the option to advertise where appropriate and technically feasible on
  - Bus exteriors
  - Bus interiors
  - Transit shelters
  - Fairfield and Suisun Transit (FAST) website
  - Stations and other transit facilities on a case by case basis
2. Priorities shall be first on customer information and then on maximizing advertising revenue. Every effort should be made to ensure that advertising does not distract from FAST's identity program.
3. FAST may sell advertising directly through agreements with individual advertisers and/or may contract with an outside vendor (Vendor) to sell advertising space.
4. Each advertiser and/or Vendor is responsible to produce, install, maintain and remove advertising on all of its advertising space(s).
5. All advertising copy shall be approved by FAST.
6. FAST reserves the right to refuse advertising space to any individual, organization or business entity.
7. FAST has final approval of text and graphics.
8. FAST may cancel an advertising contract at any time with the balance of the contractual sum refunded, prorated, to the advertiser.
9. FAST reserves the right to review all advertising and have advertising removed. Specific restrictions and prohibitions on advertising content are listed below; however, the list is neither exclusive nor exhaustive.
  - Tobacco, alcohol, liquor or illegal activities
  - Inflammatory, obscene or sexual language or imagery
  - Offensive language
  - Lotteries, contests and competitions
  - Events that are largely or exclusively fundraisers
  - Advocacy or religious messages which seek to present information or a particular point of view



- Politically related message (excepting electoral messaging from City departments or branches)
- 10. Any dispute with FAST decision(s) regarding advertising message, content, and/or copy may be appealed, in writing, to the City Manager of Fairfield.
- 11. Advertising rates shall be set at current fair market rates as determined by Vendor or City staff.
- 12. Advertising revenue shall be counted against the operating cost of either the fixed route or DART system, depending on the location of the advertisement.

## **B. Transit Advertising Program**

FAST provides opportunities for non-profit arts, culture, and community service organizations to access up to 50% of interior and 25% of exterior transit advertising space without charge. Requests are taken on a first-come, first-served, space available basis for advertising space not currently utilized for revenue advertising. Where applicable, FAST will work directly with Vendor to apply approved requests for Transit Advertising Program space.

### **General Information**

1. Applications are taken on a first-come, first-served, space available basis and are accepted all year round. Applications should be made at least four months prior to the event and must be in writing.
2. The Transit Advertising Program is only to provide venues not currently under contract for revenue advertising.
3. An organization may apply for up to 10 advertising spaces to run for a period of up to 4 weeks. All campaigns begin on a Monday and run until Sunday.
4. The advertising spaces are allotted throughout the Cities of Fairfield and Suisun City on a continually changing basis (not dedicated spaces). Generally, it is not possible to request specific locations or areas.
5. Applications from two or more organizations to run space for the SAME campaign, during the SAME time period, using the SAME poster will not be considered. However, applications from two or more organizations to run space one AFTER another for the SAME campaign, using the SAME poster will be considered. Organizations must use the same poster and supply enough posters for two complete runs.
6. FAST's Transit Advertising Program ONLY provides space and does not provide financial or other support for the design, installation, removal or production of the actual posters.
7. Organizations can apply for advertising space twice in a calendar year.
8. Use of the program one year does not automatically guarantee placement on the schedule for subsequent years. Each campaign requires a separate application



9. The support of the Cities of Fairfield and Suisun City and FAST **MUST** be legibly acknowledged on the poster with either text and logo placement.
10. Please note that the timelines and other requirements described in these guidelines exist to ensure the successful and equitable operation of the Transit Advertising Program. Organizations that do not give this due consideration during the course of a contract may not be given bookings in the future.

### **How to Apply**

Applications are accepted throughout the year. It is important that interested organizations submit the request a **minimum** of four months in advance of the dates they would like their campaign to run. To assist in planning:

Please note when requesting dates that all campaigns begin on a Monday and run until Sunday. Written requests can be sent via email or mail to:

Nathaniel Atherstone, Transportation Manager  
[natherstone@fairfield.ca.gov](mailto:natherstone@fairfield.ca.gov)

Fairfield and Suisun Transit  
City of Fairfield  
2000 Cadenasso Drive  
Fairfield, CA 94533  
T: 707-434-3800

The letter must include the following information:

- Full organization name
- Address of organization
- Name of contact person
- Phone and fax numbers
- E-mail address
- Dates of posting desired
- Date, name, and summary of event being advertised.

Additional information, material or supporting documents will be requested by FAST if needed, and do not need to be provided with the written request.

### **The Process**

Upon receipt of the written request, FAST tentatively schedules a booking into the overall allotment of advertising space. Approximately *three months* prior to the posting date, FAST will review the written request. This may include contact with the organization to check on eligibility to ensure that there is still interest in participating in the program and occasionally to consult regarding the flexibility of requested dates. In addition, it is important that a PDF file or JPEG of the design is provided to the FAST representative with the written application and **PRIOR** to the posters being printed. This



is used for filing purposes, to check that the art generally appears to conform to the advertising standards and to ensure that the support of the Cities of Fairfield and Suisun City and FAST has been legibly acknowledged on the poster with either text or logo placement. Submitted designs are not evaluated artistically.

Once schedules and allotments are finalized and the copy is approved, successful organizations are notified, and location lists are generated. Unfortunately, participants in the Transit Advertising Program generally cannot request specific locations or areas.

Approximately one week prior to the posting date, FAST informs the individual organizations of the posting locations for each campaign. Please note that posting locations are final and that changes to the provided list are generally not possible.

Please note that the Transit Advertising Program ONLY provides space and does not provide financial support to produce, install, maintain and remove advertising on any advertising space or other support for the design or production of the actual posters.

Please note that the timelines and other requirements described in these guidelines exist to ensure that the successful and equitable operation of the Transit Advertising Program. Organizations that do not give these due consideration during the course of a contract may not be given bookings in the future.

#### **How are Locations Decided?**

The advertising spaces are allotted throughout FAST's service area on a continually changing basis (not dedicated spaces). This ensures that beneficiaries of the Transit Advertising Program are not limited to specific locations or neighborhoods. It also allows for wide distribution of the campaign's message into a mix of neighborhoods and locations.

When scheduling campaigns, FAST gives priority to advertisers who pay for their space and the highest priority to those who pay for space and a location fee in order to have campaigns targeted into particular neighborhoods or specific locations. Recipients of free space under the Transit Advertising Program may not pay a location fee.

While location requests can be made, it is rarely possible that they can be accommodated. If specific locations or neighborhoods are essential to a campaign's success, FAST may recommend utilizing the Revenue Advertising Program. However, FAST cannot guarantee that by doing so the request will be accommodated.

#### **What Happens After the Campaign?**

Prior to the campaign concluding, the advertiser will be reminded that all copy must be removed within 72 hours or risk destruction by the next advertiser.



EXHIBIT C  
CONTRACTOR'S PROPOSAL  
[to be added]





**RESPONSE TO:**  
RFP #2013-04  
NAPA COUNTY TRANSPORTATION AND PLANNING AGENCY  
JOINT REQUEST FOR PROPOSALS TO PROVIDE ADVERTISING SERVICES

**DUE:** MARCH 14, 2014

**CONTACT:**  
Casey Sexton  
Vice President & US Territory Manager  
Lamar Transit Advertising  
754 South 200 West, Salt Lake City, UT 84101  
**801/532-4986**  
[csexton@lamar.com](mailto:csexton@lamar.com)





March 13, 2014

Kate Miller  
Executive Director  
Napa County Transportation and Planning Agency  
625 Burnell Street  
Napa, CA 94559

Dear Ms. Miller,

Enclosed please find Lamar Transit's offer to manage advertising services for Napa County Transportation and Planning Agency (NCTPA) and its partners as specified in RFP# 2013-04.

Lamar Transit LLC is a unit of Lamar Advertising Company. A pioneer in the industry for more than 100 years, Lamar today is one of the largest, pure-play out-of-home advertising companies in the world, with annual revenues in excess of \$1 billion. We manage nearly 70 transit advertising programs across North America. Lamar will bring to NCTPA and the partner agencies an unequaled combination of local and regional sales expertise, national market reach and financial strength.

Our emphasis on local, annual sales will enhance business appreciation for transit advertising, raise each agency's profile and boost advertising revenue. I encourage you to speak with our current transit partners about our local sales efforts.

Our broad reach will give us a leg up on in attracting regional and national business. We currently have sales executives based in San Rafael, San Mateo, Concord, San Jose, Sacramento and Fresno who sell and service advertising accounts. Meanwhile, our 23 person national advertising staff has strong relationships with all major out-of-home agencies and places buys into more than 150 Lamar markets across the U.S. and Canada. Our national sales staff alone generates more than \$200 million in billing each year. This group will ensure NCTPA and partner agency offerings are identified and included on all Bay Area business proposals.

Lamar has a rock-solid reputation for financial strength and integrity. During the advertising downturn, when many of our competitors eliminated guaranteed revenue payments to transit districts, we fulfilled our financial commitments to all of our partners. Our financial proposal demonstrates our confidence in the potential of your market.



I am the person authorized to bind Lamar's offering and will be the contact person during the evaluation. You may reach me at 801/532-4986 or [csexton@lamar.com](mailto:csexton@lamar.com). Our proposal is valid for 180 days. I confirm that we have reviewed all Addendum to RFP #2013-04, reviewed the sample Professional Services Agreement and insurance requirements listed in this offering.

In closing, I thank you for the opportunity to respond to the RFP. I firmly believe that Lamar, with its strong reputation, national reach and sales expertise, is the ideal partner for NCTPA and its partner agencies. I look forward to hearing from you.

Truly,

Casey Sexton  
U.S. Territory Manager

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## EXECUTIVE SUMMARY

Lamar Transit LLC submits this proposal in response to RFP #2013-04 to manage advertising services for NCTPA and partner agencies Solano County Transit (SolTrans), City of Vacaville (City Coach), City of Fairfield (FAST, and City of Dixon Transit System (Dixon Redit-ride).

Lamar manages nearly 70 advertising agreements with transit agencies across North America. We have managed transit advertising programs for nearly 30 years and are proud to have received consecutive contract awards from many of our agency partners. The programs we manage vary both in the size of the transit operation and the scope of services required by the agencies involved. We are experienced launching new markets where there has been no prior advertising provider, reinvigorating underperforming markets and with minimizing the impact on customers and our transit partners when there is a transition of business from one advertising vendor to Lamar.

Lamar's response is based on launching new advertising programs for each of the agencies included in the NCTPA solicitation. Our programs focus on developing a core of advertising clients who participate in purchasing long-term, annual campaigns. We will also leverage our established relationships with national advertising agencies as this coverage area will be an attractive fit for their campaigns. Our plan and approach to operations will be similar to the existing programs we operate in the Bay Area. We currently provide transit advertising services on behalf agencies including Golden Gate Bridge Transportation, VTA, SamTrans, CCCTA, TriDelta, WestCAT, TriValley/LAVTA, Union City and Sacramento RT.

Shelby Stilwell will be the designated Transit Market Manager responsible for managing day-to-day sales efforts related to RFP #2013-04. Ms. Stilwell has over 10 years of experience representing Lamar's transit advertising interests in the San Francisco Bay Area. Her efforts will be guided by General Sales Manager, Cheri Thornley and our California Transit Region General Manager, Brad Staten. Our existing sales force includes six Bay Area based sales Account Managers who will assist in identifying and closing local business for NCTPA and partner agencies. Kim Hancher, our Senior Account Executive based in San Rafael, works directly with major advertising agencies and Lamar's team of nearly two dozen national Sales Executives. Each of these sales professionals will make sure NCTPA and partner holdings are included on every new Bay Area request for proposal.

Lamar's Year One revenue proposal for this RFP provides for a 45% revenue share on net advertising space sales, payable monthly to each participating agency during the first contract term. This is similar to our operating agreement in Bakersfield with Golden Empire Transit and in other areas where there is no established advertising sales history. As RFP #2013-04 requires, we have developed a methodology for establishing a minimum annual guarantee payable to each agency beginning in Year 2. This is outlined in our Revenue Proposal (page 38), along with the related revenue share true-up to occur at each contract year end. Following award, Lamar would be open to discussing other advertising opportunities which might be developed with individual agencies and paid on a separate schedule (as noted under RFP Scope of Service #11.)



## COMPANY BACKGROUND AND EXPERIENCE

Founded in 1902, Lamar Advertising Company is now one of the world's largest outdoor advertising companies. Shares have been traded on the NASDAQ stock exchange under the ticker symbol LAMR since 1996.

As of March 12, 2014, Lamar Advertising's enterprise value (equity plus debt) was approximately \$6.9 billion. All figures in U.S. dollars.

- 2013 revenue: \$1.25 billion (2012: \$1.18 billion)
- 2013 cash flow: \$303.6 million (2012: \$264.4 million)
- Market capitalization (3/12/2014): \$4.9 billion
- Largest shareholders: Reilly/Lamar family, Vanguard and Perry Capital
- Credit rating: B+ (Morningstar)2011

Lamar Advertising Company's 10-K financial reports for the past 5 years are available at the following link: <http://www.lamar.com/About/Investors/Reports>

Lamar Transit LLC is a wholly owned subsidiary of Lamar Advertising that operates nearly 70 transit advertising franchises in the U.S., Canada and Puerto Rico. We sell advertising on buses, light rail, bus shelters and benches, as well as various forms of alternative place-based media such as station dominations, in-station network digital signage and kiosks.

At Lamar, our goal is to deliver superior financial returns to our transit agency partners and impeccable service to our customers, who range from small local companies to international corporations. We offer customers a turn-key advertising solution – from the conception of a campaign to the design of the copy to the production and installation of the vinyl - that allows them to focus on operating their businesses. As a result, we rank near the top of the industry in customer loyalty, with annual contract renewal rates exceeding 80%. Our revenues per bus rank at the top of the industry and our retention rate for our clientele is at an all-time high level for our industry.

Over the past three years Lamar has received awards to manage new advertising programs for 19 transit agencies across North America including SAMTRANS (San Mateo, CA) in 2011, Sacramento RT and Golden Gate Bridge Transportation in 2012, and OmniTrans in San Bernardino in 2013. In addition to new awards we have been re-awarded contracts or extensions with current transit partners including TriValley LAVTA in 2012, San Jose VTA, and the buying consortium of Central Contra Costa (CCCTA), Eastern Contra Costa (TriDelta) and Western Contra Costa (WestCAT) transit agencies in the Bay Area. We provide details regarding our existing transit agency partnerships, along with a list of REFERENCE AGENCIES, on Page 9.

**Lamar Transit Advertising has no administrative proceedings, claims, lawsuits, settlements, bankruptcies or other liability exposures pending against it.**



### Focused Business Efforts, Targeting the Market

Lamar Transit exclusively focuses on selling advertising on buses, light rail, stations, shelters, benches and new products directly connected to revenue enhancements for our agency partners. Our commitment to innovation and adaptability are demonstrated by the expanding base of transit advertising franchises we serve and the development of products that utilize the latest technology available.

We make a significant investment in **local staffing** to provide solid market support and quality service to our advertisers and transit partners. We employ nearly 3,000 people in over 200 Lamar Advertising offices across the U.S., Canada and Puerto Rico. This includes approximately 800 local and regional account sales executives and a national advertising staff of nearly two dozen. Our national sales team, with their established agency relationships, generates more than \$200 million in annual billing into U.S. and Canadian markets.

Our business model is based on centralized control and decentralized **management structure**. This provides for greater economies of scale and is more responsive to local market demands. We maintain **centralized accounting and financial control** over local operations, however **local managers are responsible for the day-to-day activities** in each market and are compensated according to that market's financial performance.

Our business structure also provides for appropriate **financial planning and oversight** by a corporate management team. Before responding to RFPs, we develop detailed financial models for each market we are interested in entering. These models are carefully reviewed and approved by executives from our business development and financial groups. After a contract is awarded performance is measured against monthly, quarterly and annual goals.

### Our Guiding Principles

- Maximize revenue and growth for our transit partners
- Commit to delivering the highest quality service to our customers
- Respond promptly to our customer's needs and to those of our transit partners
- Maintain the highest degree of integrity and professionalism
- Continue to innovate and create new products
- Demonstrate financial accountability



## What We Stand For

**Serving Our Customers.** We are dedicated to building strong relationships, providing excellent customer service and delivering value to our customers. We are always looking for innovative new ways to support our customers and to become an even more valued media partner.

**Safety First.** Our largest audience is the driving public, and we understand that people see out-of-home ads while driving at high speeds. Safety is our top priority. We are firmly committed to the safety of the general public and in addition to following external laws and regulations, we adhere to the OAAA Code of Industry Principles. We also create and maintain safe working environments for all of our employees.

**Community Support.** Our goal is to leave every place that we're privileged to operate in better than the way we found it. We strive to be responsible corporate citizens. In hundreds of communities across the U.S., Canada and Puerto Rico we support non-profit organizations in many ways including donations of time, through our Good Works Public Service Advertising program and utilizing our extensive Digital Display network to broadcast Amber, FBI, FEMA, Crime Stoppers and other emergency alerts on a local, state or national level.

**Honesty and Integrity.** We live by the Golden Rule, and we operate with honesty and integrity in every aspect of our business. We are open with our employees, transparent with our customers and loyal to the communities in which we serve.

**Continuous Improvement.** We strive to be the best. And more importantly, we are always focused on how we get better. An example of this would be working with our business partners to determine better, more environmentally sound ways to handle disposal of residual vinyl material.

**Diversity and Inclusiveness.** Lamar is an Equal Opportunity Employer committed to a diverse workforce. We hire without regard to race, color, sex, national origin, religion, age, marital status, sexual orientation, gender identity, gender expression, disability, veteran's status, height, or weight, or any other characteristics protected by law. We have implemented an extensive on-line Affirmative Action program to ensure we are fair and unbiased in our interviewing, hiring and promotion activities.





## QUALIFICATIONS OF PROPOSER

### REFERENCE AGENCIES

**Valley Transportation Authority (VTA)** - 3331 N. 1st Street, San Jose, CA 95143

**Contact Person:** Dino Guevarra, Sales and Promotions Supervisor

**Phone:** 408/321-5527 **email:** [dino.guevarra@vta.org](mailto:dino.guevarra@vta.org)

- Commenced bus and light rail advertising services January 2010 for 3 years with 2 additional option periods. Advertising on approximately 425 bus and light rail vehicles. Guaranteed payments will be \$7,400,000 over 5 year term, plus appropriate revenue share overage.

**SamTrans** – 1250 San Carlos Ave., San Carlos, CA 94070

**Contact Person:** Christiane Kwok, Manager Market Research & Development

**Phone:** 650/508-6200 **email:** [kwokc@samtrans.com](mailto:kwokc@samtrans.com)

- Commenced October 2011 for 5 year term through September 2016. Advertising on approximately 300 buses. Guaranteed payments will be at least \$3,425,000 over 5 year term, plus appropriate revenue share overage. ***Revenue share overage of \$97,027 paid in 2013.***

**Palm Tran** - 3201 Electronics Way, West Palm Beach, FL 33407

**Contact Person:** Liliane M. Agee-Finke, Communications and Marketing Manager

**Phone:** 561/841-4244 **email:** [LFinke@pbcgov.org](mailto:LFinke@pbcgov.org)

- Initial 1998 contract transitioned through acquisition and has been consecutively held through competitive bidding for more than 10 years. Renewed in 2010 for 5 year term through June 2015. Bus advertising for 145 vehicles. Guaranteed payments will \$1,600,000 over 5 year term, plus appropriate revenue share overage. ***Revenue share overage paid of \$120,925 above minimum guarantee. Revenue share overage has been paid in each of the first three years of the current agreement.***

**Utah Transit Authority (UTA)** - 669 West 200 South, Salt Lake City, UT 84130

**Contact Person:** Andrea Packer, Chief Communications Officer

**Phone:** 801/262-5626 **email:** [apacker@rideuta.com](mailto:apacker@rideuta.com)

- Bus, light rail and commuter rail advertising services since 2005. Guarantee \$12,700,000 over 7 years. Contract rebid in June 2013 with Lamar receiving renewal of award. Advertising on 542 vehicles (bus and light rail.)

**Transit Authority of River City (TARC)** - 1000 West Broadway, Louisville, KY 40203

**Contact Person:** Kay Stewart, Marketing Director

**Phone:** 502/561-5122 **email:** [kstewart@ridetarc.org](mailto:kstewart@ridetarc.org)

- Commenced February 2012 for 3 years through January 2015, with 2 option years. Guarantee \$1,850,000 over 5 years plus appropriate revenue share overage. Advertising on approximately 210 buses. ***Overage paid in excess of \$56,000 in first year of operation and \$116,629 in second year.***



## Experience

Lamar has managed transit advertising programs for nearly 30 years and we are proud to have received consecutive contract awards from many of our agency partners. Retention of key markets, including UTA (Salt Lake City, UT), Palm Tran (Palm Beach, FL), and TriMet (Portland, OR) speaks highly of our past success. Our continued ability to deliver on commitments and develop the markets we manage has led to historic long-term contract awards including our current 20 year agreement with TransLink in Vancouver, BC and our 15 year agreement with BC Transit (a consortium of transit operators including Victoria, BC and 32 smaller markets in that province.)

We understand the requirements to transition business from one vendor to another while minimizing the impact on both customers and our transit agency partners. We have success in revitalizing dormant markets and our business model allows us to build a strong foundation for future market growth.

Following is a list of significant transit contracts currently managed. Additional details are available upon request.

### **ABQ Ride – Albuquerque, New Mexico**

- Contract commenced July 2007. Renewed in 2012 through competitive bidding through June 2015.
- Advertising on 155 buses and approximately 100 transit shelters.
- ***Lamar delivered overage of \$80,298 above the minimum guarantee in 2013, and in excess of \$124,000 for the prior year.***



### **BC Transit – Victoria and Surrounding Markets, BC (consortium of 30+ small districts)**

- Contract renewed in August 2005 for 10 years through July 2015.
- Bus advertising on 263 vehicles, including double decker buses.
- ***Revenue share paid above minimum guarantee at \$11,474 for contract year ending July 2013 to Surrounding Markets***

### **City of Burlington, ON**

- Current contract renewed January 2010 for 5 years through November 2014.
- Bus advertising on 50 vehicles

### **City of Mississauga, ON - MiWay**

- Commenced May 2012 for 5 years, in effect through April 2017.
- Advertising on approximately 400 buses.

### **Corporation of the City of Kingston – Kingston, ON**

- Commenced May 2005. Current agreement for 5 years, in effect through April 2017.
- Advertising on approximately 45 buses.



**County Connection (CCCTA) – consortium of Central Contra Costa, East Contra Costa and West Contra Costa Transit districts - Bay Area, California**

- Contract commenced January 2010 for 3 years with 2 additional option periods.
- Bus advertising on approximately 213 vehicles for three transit district operations.

**Capitol District Transportation Authority (CDTA) - Albany, New York**

- Contract commenced November 2008 for five year term with 4 option years. Option term accepted, in effect through September 2016.
- Advertising on 246 buses and railcars, and approximately 430 shelters.

**City of Tucson, AZ**

- Year One commenced October 2013.
- Approximately 250 vehicles.

**CTRAN - Vancouver, Washington**

- Contract renewed October 2011 for 5 year term ending September 2016,
- Bus advertising on 87 vehicles.
- ***Lamar delivered overage above the minimum guarantee of \$34,497 in 2013 and \$40,428 in 2012.***



**Fresno Area Express (FAX) – Fresno, California**

- Contract commenced September 2007 for 5 years and extended for 2 year term through August 2014.
- Advertising on 110 Buses and 44 paratransit vehicles.

**Golden Empire Transit (GET) – Bakersfield, California**

- Revenue Share Only agreement – 50%
- Advertising on 88 Buses and 19 paratransit vehicles.

**Golden Gate Bridge Transportation – San Francisco, California**

- Contract commenced October 2012 for 3 years with 2 option years.
- Advertising on 188 buses.

**InTransit BC (Canada Line) – Vancouver, BC**

- Contract commenced August 2008 for 12 years, in effect through July 2020.
- Advertising on approximately 40 rail cars.
- ***Revenue share above minimum guarantee has been paid each of the past 4 years. For contract year ending July 2013 overage paid was \$616,470.***



**Kelowna Transit – Kelowna, BC**

- Initial contract commenced in 2002 and has been consecutively re-awarded through competitive bidding. Current contract renewed in January 2012 through December 2016.
- Advertising on approximately 65 buses.
- ***Revenue share paid above minimum guarantee for contract year ending December 2013 was \$31,429. Revenue share paid above minimum in 3 of the past 4 years.***



**Lane Transit District (LTD) – Eugene, Oregon**

- Lamar has served this transit agency for nearly 30 years. The contract commenced in 1984 and has been consecutively re-awarded after competitive bidding. Runs to July 2020.
- Advertising on approximately 92 buses.

**Livermore Amador Valley Transportation (LAVTA) – Livermore, California**

- Initial contract transitioned to Lamar through acquisition in 2007. It has been consecutively re-awarded through competitive bidding and was renewed for 3 additional years in July 2012, in effect through June 2015, with 2 option years.
- Advertising on approximately 59 buses.
- ***Revenue share above minimum guarantee in the amount of \$51,226 paid 2013.***

**London Transit Commission – London, ON**

- Initial contract commenced in 1998 and has been consecutively re-awarded through competitive bidding. Current contract renewed January 2009 for 5 years, in effect through December 2014.
- Advertising on approximately 180 buses.

**METRO St. Louis, Missouri**

- Initial contract for bus advertising programs commenced in 1999. Bus advertising contract has been consecutively re-awarded. Current agreement is in place through December 2015.
- Lamar was also awarded the contract to manage Metro's shelter advertising program for a 3 year term commencing January 1, 2013. This was a competitive bid award.
- Advertising on 365 buses, 345 transit shelters, 120 paratransit vehicles, and MetroLink trains and stations.
- ***Revenue share above minimum guarantee for shelter program will exceed \$165,000 for first year of contract operation***

**NFTA (Niagara Frontier Transit) - Buffalo, New York**

- Commenced September 2012 for 5 year term through August 2017. Bus and shelter advertising.
- Advertising on approximately 338 buses and 472 shelter faces.

**OmniTrans – San Bernardino, California**

- Commenced January 2013 for 3 years, in effect through December 2015. Two option years.
- Advertising on approximately 655 shelters and 170 buses.
- ***Revenue share overage paid of \$179,330 above minimum guarantee following first year of current agreement.***

**PALMTRAN - Palm Beach, Florida**

- Initial 1998 contract transitioned through acquisition and has been consecutively held through competitive bidding for more than 10 years. Renewed in 2010 for 5 year term through June 2015.
- Bus advertising for 145 vehicles.
- ***Revenue share overage paid of \$120,925 above minimum guarantee. Revenue share overage has been paid in each of the first three years of the current agreement.***





**RGRTA – Rochester, NY**

- Commenced March, 2014
- Approximately 180 transit vehicles and 119 shelters.

**Sacramento Regional Transportation (RT) – Sacramento, California**

- Commenced August 2012 for 3 years with 2 one year options.
- Advertising on approximately 189 buses.
- *Revenue share overage for Year One contract completion \$12,015.*

**SamTrans – San Mateo, California**

- Commenced October 2011 for 5 year term through September 2016.
- Advertising on approximately 300 buses.
- *Revenue share overage of \$97,027 paid in 2013.*

**Syracuse CNYRTA, NY**

- Commenced February, 2014.
- Approximately 160 transit vehicles and 140 shelters.

**Transit Authority of River City (TARC) – Louisville, Kentucky**

- Commenced February 2012 for 3 years through January 2015 with 2 option years. Bus advertising.
- **\$625,000 Minimum Annual Guarantee for current contract year.**
- *Revenue share overage in excess of \$116,629 for 2<sup>nd</sup> contract year completed January 2014, with nearly \$60,000 above guarantee paid for first year of operation.*



**Translink – Vancouver, BC -**

- Initial award in 1998, renewed August 2005 for 15 years with 5 additional option years accepted through July 2020. The 2005 contract was a historic industry award for a 20 year term to Lamar.
- Advertising on 1330 buses, light rail system, SeaBus, and the Lamar digital network.

**TRIMET – Portland, Oregon**

- Commenced in 1993 and awarded for consecutive terms. Lamar was announced prevailing bidder for a new 5 year contract beginning October 2013 – September 2018 (with 2 additional one year options possible.)
- Advertising on approximately 535 buses, light rail, 154 shelters and 658 benches.

**UTA (Utah Transit Authority) – Salt Lake City, Utah**

- Commenced in 2005. Lamar was announced prevailing bidder for a new 7 year contract beginning September 2013 – August 2020 (with 3 additional option years possible.)
- Advertising on 542 vehicles (bus and light rail.)

**UTA (Santa Clara Valley Transportation Authority) – San Jose, California**

- Commenced January 2010 for 3 years with 2 additional option periods, with one remaining year in the initial contract award.
- Advertising on approximately 425 bus and light rail vehicles.
- *Revenue share overage of \$11,934 paid for year ending December 2013.*



## PERTINENT EXPERIENCE

We believe operations in relation to this contract will closely match our experience in Bakersfield, California with Golden Empire Transit District. Lamar launched the initial advertising program in this market during 2010. As there was no prior sales history, our financial offer was based on a 45% revenue share payable monthly on net advertising space sales.

Our sales plan includes a focus on developing a line of business where customers contract for twelve month long campaigns. We expect to see exponential monthly growth in billing related to this strategy. During contract Year One we increased sales from \$2000 in the first billing period to an average of \$25,000 during each of the last six months. Revenue share paid to GET for that first year of operation was over \$91,000. During both contract Year Two and contract Year Three Lamar billed over \$400,000 in space sales and paid GET in excess of \$200,000.

The NCTPA contract differs from the situation in Bakersfield. Most significantly, and to the benefit of the transit agencies involved, Lamar already provides transit advertising services in the same vicinity. We believe a number of our Bay Area advertisers will quite readily purchase placements on these additional transit systems. In addition, there is both interest and opportunity for sales in this territory leveraging our national advertising sales network as well as serving local clients in cities where we do not current provide transit advertising options.

In relation to managing advertising sales programs for multiple agencies, Lamar has provided these services for BC Transit in Victoria, BC and surrounding markets for over 15 years. This contract requires sales, installation and maintenance on behalf of over 30 small transit districts in the province. Similarly, in the Bay Area, Lamar has managed a consortium agreement with County Connection (CCCTA), TriDelta (ECCTA) and West Contra Costa (WestCAT) districts since 2010.





## PROJECT UNDERSTANDING

### Target Market Segmentation

**Tapping All Possible Business Opportunities.** Lamar's distinct and unique sales advantage over its competitors starts with a comprehensive marketing effort that includes:

- **Local Sales** - Direct sales targeted to local small and medium size businesses. Goal: 50-60% of revenues.
- **Regional Sales** - Advertising agency sales targeted to Bay Area and Northern California advertising agencies. Goal: 20- 30% of revenues.
- **National Sales** - Targeted to major national advertising agencies throughout the United States. Goal: 10-20% of revenues.



#### 1. LOCAL SALES

Lamar Transit Advertising is dedicated to the exclusive sales of transit advertising space. On average 50% of our business comes from local annual sales. Locally staffed offices throughout California, consisting of experienced and well-trained local sales professionals, have built a base of local business through Lamar's bundled (space and production) program.

All sales executives are required to make contact with at least 80 local businesses on a weekly basis. Those prospective contacts will result in at least 8 formal face-to-face appointments with small and medium size businesses in the marketing area.

Because of our singular focus, we have been able to hold or increase rates in the markets we serve, thereby generating more revenues on a per sign basis than our competitors. Transit is our only business - and it shows.

#### 2. REGIONAL SALES

##### **Regional Relationships in the West**

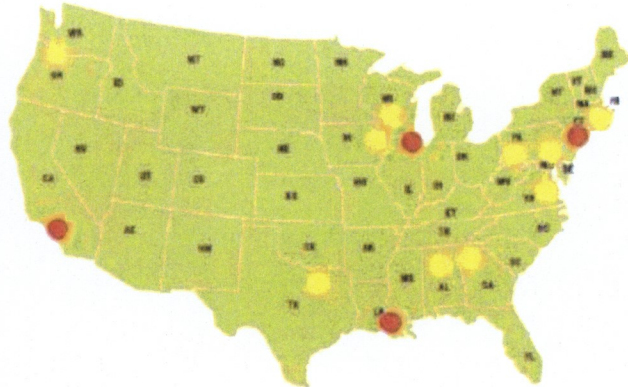
Through the years, Lamar has established successful relationships with regional advertising agencies that traditionally serve clients with multiple locations throughout the West. Lamar has excellent connections with advertising agencies throughout California and is proactive in its efforts to expand this part of our business plan. We currently have existing transit sales offices and personnel in San Mateo, San Jose, Concord, Sacramento and Fresno, plus a San Bernardino office to the south. We have more than 20 other sales offices in the Western US that will also generate sales leads to support our advertising programs related to this RFP.



### 3. NATIONAL SALES

#### From Coast to Coast.

Nearly two dozen national Lamar sales representatives maintain key relationships with major advertising agencies throughout the United States and Canada from offices in New York, Chicago, Los Angeles, San Francisco, Baton Rouge and Atlanta. These Lamar sales representatives work together on a weekly basis to discuss forth-coming national buys and to make certain that Bay Area markets receive exposure and consideration. In addition, Lamar has more than 200 sales offices across North America. Both regional and national salespeople work directly with these contacts to facilitate opportunities that will benefit NCTPA and partner agencies.



#### Unique Sales Model

The Outdoor Advertising Association of America recently released a report commenting that buyers believe that "Transit Advertising is one of the most difficult advertising mediums to purchase". The primary reason given is because there are so many variables to execute a transit advertising campaign that many times it is just easier to buy another medium.

There are a number of steps involved in purchasing a transit advertising campaign. Not only is it time consuming to execute a successful program, it can also be expensive. Generally, each step requires a lump-sum out of pocket expense for the client. Often these costs are hefty enough to squelch a potential campaign. Lamar offers customers a bundled space and production package. Our clients prefer receiving only one invoice per billing cycle with no large up-front charges.



We believe providing a turn-key marketing solution makes it easy to do business and in-turn provides greater revenue opportunities for NCTPA and its partner agencies.

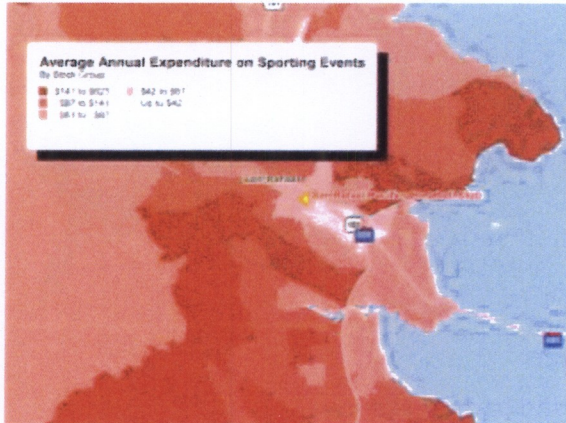
#### **SERVICES WE PROVIDE:**

- ☐ Custom mapping
- ☐ Creative Design
- ☐ Production
- ☐ Installation
- ☐ Maintenance
- ☐ Removal
- ☐ Amortization of Costs



### Highly Targeted Marketing Materials

Lamar invests in Portfolio and MapInfo Professional®, market analysis research tools which enable Lamar to provide a valuable and free service designed exclusively for our clients and transit partners.



With this software we can profile specific geographies, define individual lifestyle characteristics and behaviors, including spending and transportation habits, and then overlay that information directly onto specific transit route maps. These powerful mapping and demography tools enable Lamar to provide a highly desirable free service to our clients and transit agency partners.

### Advertising Design and Production: A Key To Our Work Plan



We employ a talented group of 8 staff artists dedicated exclusively to transit advertising design. This group guides and provides clients with the creativity necessary for effective transit advertising. Lamar's investment in art design and creation is offered as a free, value-added service and often is the difference in making a sale.

### **2012 ADDY Award Winning Art**

**Client: Chaffee Zoo    Total Contract Value: \$30,500    Lamar Designer: Jennifer Holley**



"This contract was going to be cut by the client last year - they didn't want to "spend the extra money." I convinced them to let me work some creative up for them. Once I took in the artwork from Lamar Graphics the client renewed the contract and specifically stated the artwork excited and convinced them."



### Challenges Encountered

As with all of our transit advertising agreements, the key to successful long-term operations is a commitment to customer service, focused business efforts and frequent, clear communications with partners. Lamar manages business challenges by placing an emphasis on training, utilizing our own employees who live and work in the service areas, maintaining accurate and up-to-date inventory records and regularly performing check-ins with our transit agency partners.

### Operations and Inventory Management

- **Local Installers:** Installers work and live in the area, we can respond to NCTPA and partner agency concerns in under 24 hours.
- **Pre-posting and inspection procedures:** Installers take extra precautions not to cover bus numbers, branding and identification, and other critical information.
- **Safety Training:** All of our installation employees certify that they have read Lamar's Corporate Safety Manual. Installation employees wear high-visibility vests and safety shoes on shift. Attendance at monthly safety meetings is mandatory and documented for all operations staff.
- **3M Fleet Graphics Material:** Lamar Transit has almost exclusively used 3M products since 2004. We have a strong relationship with 3M World Wide and are a working partner with them for new product initiatives. All of our installers have extensive training in 3M graphic materials.
- **Maintaining advertising inventory:** We maintain an up-to-date inventory record showing the current number of buses available as well as the specific products that are displayed both on interiors and exteriors of buses. Our advertising inventory record includes the effective contract dates for each display including the expiration date for each contract. Lamar's records are available to NCTPA and partners for inspection.
- **Scheduling:** We are experienced in all scheduling aspects including those involving extreme weather conditions. It is our goal to establish and maintain mutually beneficial relations with NCTPA and partner shop personnel.
- **Application and removal of advertising:** Each advertisement will be completely removed no later than 12 months from the date of installation. Lamar will replace expired advertising copy with an advertisement of the same size or clean the surface to the pre-installation condition. Additionally, we will not "layer" advertisements and they will be free from wrinkles, blisters or similar defects. The advertisements will be straight against the vehicle contour lines and be sharp in appearance.
- **Timeliness:** Dated advertising copy will be removed from the buses within seven (7) days of expiry or as specified by agency agreement.
- **Hazardous Materials:** We will not use hazardous chemicals or materials in its transit operations with NCTPA or partner agencies.
- **Minimal Impact:** We will endeavor to work with the operations staff to ensure seamless installation and removal with minimal encumbrance on NCTPA and partner operations.





### **Advertising Policy**

We have an obligation to exercise sound judgment relating to the acceptance of advertising that we place on our transportation providers' vehicles. Lamar trains its sales personnel to screen potential clients and review proposed advertising copy for objectionable content before submitting to the transportation provider partner, if necessary, for approval.

- Lamar takes great pride in becoming familiar with the advertising policies, standards and restrictions for its respective public partners and works hard to create definite, uniform application and adherence to these standards.
- Lamar's self-imposed advertising standards include attribution to the commercial organization or business entity that purchases advertising for placement.
- Lamar does not knowingly accept any advertising that is false, misleading or deceptive commercial speech.
- It is Lamar's intent not to allow or cause any of its providers' property to become a public forum for the debate, dissemination or discussion of public issues. In the case of any disputes we discuss appropriate solutions and adhere to the final decision of our transit partners.

### **Free Speech Issues**

Lamar is experienced with issues and differences involving free speech and commercial free speech, and works effectively to protect our partners from direct involvement with clients pertaining to these issues. Lamar has a successful record in monitoring public reaction to advertising we place.

### **Reporting, Record Keeping and Accountability**

- Lamar has an outstanding reputation for providing timely reporting, accounting and contract information. We are able to provide accurate contract administration necessary to fulfill the scope of the agreement outlined.
- Lamar maintains records of installation, removal and certificates of audit for each display. All pertinent information is recorded, including advertiser, terms of each contract, display type and number.
- Each advertiser receives a picture of its respective advertising display.

Every month Lamar will provide a detailed sales report showing all billing accounts displayed on transit agency vehicles. This includes all pertinent contract information, including gross space billings and the status of revenue share overages each month. Sample reporting is included for reference in the Appendices Section.

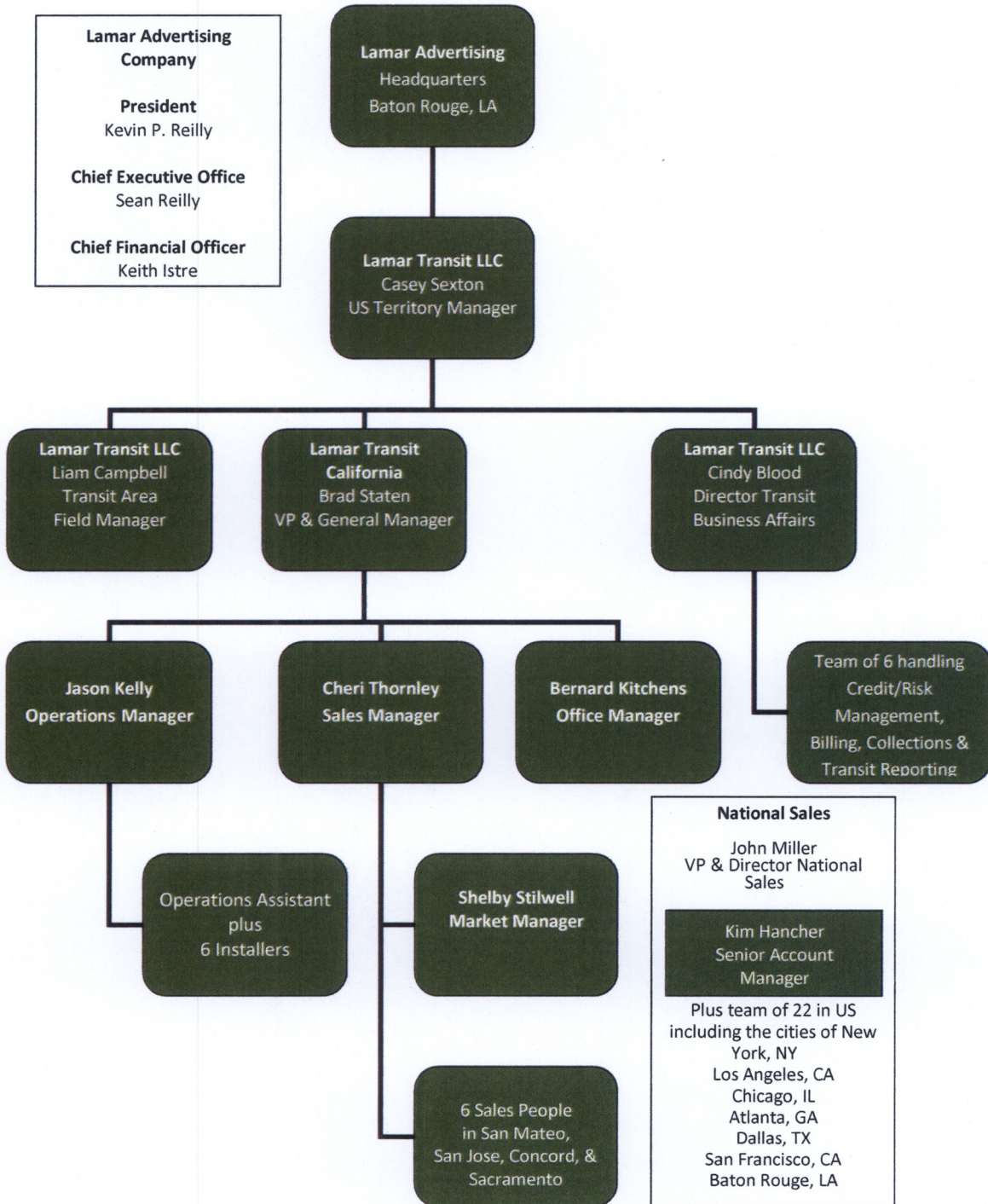
**As a public company Lamar is particularly sensitive to client trust and the need for sound, ethical accounting and reporting behaviors.**

We adhere to SEC requirements and Sarbanes-Oxley. This includes the coordination of all client sales contracts, advertising production, posting and removal of advertising materials, billing and collections activities and other customary business practices. Lamar considers our business practices a corporate asset and strives to provide the detail and transparency required by our clients and transit partners.



## STAFFING AND PROJECT ORGANIZATION

Lamar's transit management teams rank at the top when it comes to experience, integrity and reliability in serving the best interests and goals of our transit partners.





**Brad Staten is General Manager** for our California Transit Region. He is responsible for developing overall market strategies for the territory, management of transit agency agreements, and developing plans that ensure attainment of Lamar's financial objectives relating to each market served. He is supported by **Office Manager, Bernard Kitchens**. Bernard is responsible for advertising contract administration, customer service, collections and other logistics and operations activities.

**General Sales Manager Cheri Thornley** oversees Lamar's Bay Area transit sales programs, including supervisory management and program development for a group of 6 sales executives based in San Mateo, Concord, San Jose, and Sacramento. Cheri will be responsible for day-to-day contact with NCTPA and partner agencies in relation to this agreement.

**Shelby Stilwell will be the Market Manager** responsible for achieving local sales goals set for this contract. Shelby works closely with **Kim Hancher, Senior Account Executive**, the nearly two dozen other experienced sales representatives on our National Sales team and other sales representatives located in Lamar offices located throughout the western region.

**Jason Kelly, Operations Manager** for California Transit, and his team of Lamar installers, will ensure that campaign displays are posted and removed as planned. He will also ensure that installation operations are coordinated with the various transit agencies involved, and operations personnel perform in compliance with safety requirements.

- Our sales executives concentrate solely on transit advertising sales. It is the only medium we recommend when we contact clients in the area.
- Market Manager and sales executives generate new advertising opportunities for NCTPA each week.
- Market Manager works with marketing team to create specific marketing materials designed to facilitate sales of NCTPA assets.
- Market Manager networks within the local area Chamber of Commerce, Ad Clubs and other business organizations.
- Market Manager works with Operations Manager to document NCTPA inventory status, coordinate installations, removals and maintenance of displays.
- We leverage existing client relationships, both local and national, through Lamar Transit salespeople in other California cities.
- We establish monthly, quarterly and annual sales budgets for NCTPA. Performance against goals is reviewed weekly by the General Sales Manager.
- General Sales Manager is day-to-day contact for NCTPA staff and is available either by phone, email or in person.
- General Sales Manager participates in annual performance reviews between Lamar and NCTPA. The annual meeting will be at NCTPA's discretion.

**Lamar is prepared to immediately begin providing the required advertising sales and service upon a notice to proceed.**



## Casey Sexton

[csexton@lamar.com](mailto:csexton@lamar.com)



### Employment History

#### 2007-present

##### Lamar Transit Advertising - Vice President & U.S. Territory Manager

- Responsible for business development strategies involving transit markets.
- Oversees all sales programs and operations for approximately 30 U.S. transit markets.
- Works with Transit District management teams to assure contract compliance and revenue generation.

#### 2006-2007

##### Clear Channel, Taxi Media Advertising - Midwest Regional Market Manager

- Accountable for all sales and operations in the region.
- Developed new business and called on key agencies.
- Played an instrumental role in launching the company's third largest branch.
- Contributed to revenue growth, from zero to \$2.6 million in seven months.
- Worked successfully with top advertising agencies including Starcom, OMB/A and OSI.

#### 2002-2005

##### Obie Media Corporation, Spokane, WA – Vice President & General Manager

- Oversight for 8 branch offices, with responsibility for P&L, local and regional accounts, sales team, sales projections, strategic marketing and \$9 million budget.
- Delivered 8% increase in annual sales.
- Instrumental in obtaining \$1 million Canadian market.

#### 2001-2002

##### Obie Media Corporation, Chicago, IL – Sales Manager/General Manager

- Managed largest market for company with decision making role in advertising budgets, public relations, account development and sales team.
- Built sales organization to meet a \$15 million budget.
- Developed and implemented new product lines within an established market.

#### 1999-2000

##### Obie Media Corp, Spokane, WA – Northwest Regional Manager

- Developed budgets for five sales offices; opened three new territories, mentored and coached staff.
- Increased sales quota by 40% in 2000.
- Helped launch new product line, increasing sales by 30% in 1999.

#### 1997-1998

##### Obie Media Corp, Spokane, WA – Sales Manager

- Increased sales by 11% in 1997 and 14% in 1998.
- Received "Pinch Hitter" Sales Award.

#### EDUCATION:

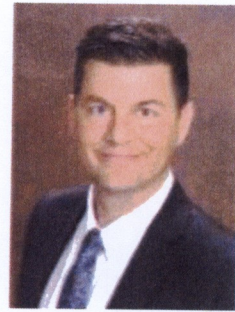
Northwestern University - KMI – Executive Management Program – 2003

Eastern Washington University – BA, Business; Emphasis in Marketing - 1994



## Brad Staten

[bstaten@lamar.com](mailto:bstaten@lamar.com)



### Employment History

#### **2014 Lamar Transit - Vice President & General Manager, California Transit**

- Oversees all aspects of financial and operational performance of California transit markets.
- Established relationships in the industry with major out-of-home agencies, manufacturers, production houses and service providers.
- Responsible for development of new markets and effective communication, coordination and partnership with transit partners.

#### **2012-2014 Clear Channel Outdoor - Vice President & General Manager – Sales**

- Managed successful sales teams in Sacramento and Reno.
- Utilizing local direct, regional and national sales focuses these two markets ranked number one and number two in the nation for Clear Channel Outdoor nationally in budget overachievement.
- Maintained a high level of rate attainment and occupancy on all out of home products including; digital bulletins, bulletins, posters and transit shelters.

#### **2011-2012 Pacific Business News - Advertising Consultant**

- Focused on local advertising revenue development in the business to business sector in Hawaii utilizing digital, print and event marketing media to engage our audience.
- Maintained and grew client campaigns in existing industries and created new business in the commercial and residential solar sector, automotive and communications industries.
- Growth was the result of seeking new clients, introducing new media formats (digital & events) and constant prospecting.

#### **2010 Fuse 5 Media Co-Founder**

- Developed advertising sales and market acquisition opportunities for small and medium sized independent out of home companies and transit districts. Working in partnership with La Playa Media, acquired several small highly sought after transit districts while marketing La Playa Media's available outdoor inventories in San Francisco, Los Angeles, Phoenix, Denver, Chicago, Boston, New York and Miami to agencies and clients directly in San Francisco.

#### **2008-2009 Titan Outdoor Vice President of Transit Sales San Francisco**

- Led the acquisition and transition sales team of Titan's new San Francisco office. Managed sales, marketing and operation teams. Developed, implemented and sold several new formats of OOH advertising within the BART franchise that generated immediate impactful revenue. Steered the San Francisco office through two more transit acquisitions. Left the San Francisco office on track to achieve 2009 sales goals.

#### **2004-2008 Vista Media Group Vice President, Regional Marketing Manager**

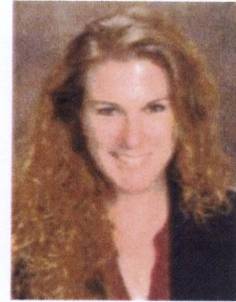
- Delivered 7 consecutive years of local, regional and national sales growth for outdoor advertising group. Improved profitability, acquired new territories, and increased sales. Led pioneering efforts, which have opened new markets and increased the scope of partnerships and opportunities for growth.

#### **EDUCATION: Oregon State University, Bachelor of Science, Exercise Physiology**



## Cheri Thornley

[cthornley@lamar.com](mailto:cthornley@lamar.com)



### Employment History

**2011- present**

**Lamar Transit – General Sales Manager**

- Oversees day-to-day transit agency relationships in Bay Area California.
- Directs Lamar's Bay Area sales programs and is responsible for driving activity to achieve established objectives.
- Three years with Lamar, a top sales performer with strong communication skills.

**2010-2011**

**AMX/Landhome Financial – Senior Wholesale Account Executive**

**2008-2010**

**Jim Leonard's Mortgage Connection – Loan Officer/REO Real Estate**

**2007-2008**

**Wachovia – Senior Wholesale Account Executive**

**1995-2007**

**First Franklin – Senior Wholesale Account Executive/Team Lead**

**1992-1995**

**Burlingame Funding – Wholesale Account Executive**

- More than 18 years of experience in marketing and financial roles.
- Multi President's Club award winner for outstanding sales achievement over multiple years.
- Expert in consultative sales approach with client relationships and long term account retention.
- Experienced managing teams of account executives, providing daily support, while simultaneously exceeding personal production goals.
- Skilled in presentations to new and existing clients on newly developed products, industry updates, client training and marketing strategy to large groups down to a one-on-one setting.

**EDUCATION: Cabrillo College, Aptos, CA - 1992**



## Shelby Stilwell

[sstilwell@lamar.com](mailto:sstilwell@lamar.com)



### Employment History

**2003- present**

**Lamar Transit – Market Manager**

- Manage both large and local accounts in the San Francisco Bay Area including agency business north of Los Angeles.
- As Senior Account Manager, sold and managed sales for 122 Transit Advertising buses and 128 billboard faces. Successfully drove billboard occupancy from 3% to 100% in first 12 months. Increased transit business 150% year 1 and over 50% years 2 and 3. Added 20+ agency accounts within 3 year time frame. Renewal rate consistently over 90%. Reassigned to rebuild 2 additional territories after success in first market assignment.
- Successful in identifying key buying influences in order to recommend and develop effective Outdoor Advertising campaigns.
- Strong ability to develop rapport through product knowledge and excellent presentation skills.
- Extremely professional with a strong sense of integrity.

**1998-1999**

**Steiner Corporation – Marketing Manager/Buyer**

- Recruited from Investor to drive retail sales, buy product and help develop marketing plan for start-up organization.
- Hired and developed sales team, bought retail products, developed vendor relationships, conducted product knowledge training, implemented marketing strategies, brand recognition, and promotions.

**1991-1998**

**Nordstrom – Sales/ Sales Manager / Buyer**

- Extremely successful sales, winning numerous top sales and customer service awards.
- Promoted consistently throughout career from Sales to Management to Buyer.
- Responsibilities included driving sales through planning and promotions, managing staff of 30+, product knowledge training, merchandising, employee/sales development and managing schedule within budget parameters.

**EDUCATION: C.S.U. Chico - B.S. Management Information Systems - 2001**



## Kim Hancher

[khancher@lamar.com](mailto:khancher@lamar.com)



### Employment History

#### **2010-present Lamar Transit Advertising – Senior Account Executive**

- Specializing in selling transit advertising to national, regional and local advertisers in Bay Area.
- Manage and grow all high profile Bay Area Ad agency business and direct clients (OMA, OAG, Posterscope, Hoffman/Lewis, Duncan Chnnon.)
- Key point of contact for the Lamar National Sales Team in the Bay Area.

#### **2006-2009 CBS Outdoor – San Francisco – Account Executive**

- Sold out-of-home advertising to national and local advertisers and agencies specializing in transit.
- Utilized innovative marketing techniques to sell large national accounts in Bay Area market – diligently educated and informed AEs in other markets of available product and inventory.
- Developed and delivered customized RFPs to client base, provided personalized service and quick turn-around times.
- Consistently met and/or exceeded management-set sales goals and budgets.

#### **2005-2006 MediaMax Network – San Francisco – Account Executive**

- Sold local advertising across all Conde' Nast titles (Archietectural Digest, Vogue, Vanity Fair, etc.)
- Created media plans with advertising agencies and business owners that included strategic media buys and facilitated their target marketing plans.
- Organically grew account base of advertisers.

#### **2004-2005 CA Home/Design, Hartle Media – San Francisco – Account Manager**

- Generated \$500K of print advertising sales.
- Built up account bse from a previously undeveloped territory – zero existing accounts.
- Represented publication at a variety of sponsored events and industry trade shows.

**EDUCATION:** Saint Mary's College, Moraga, CA – BA Political Science 1993



## Jason Kelly

[jkelly@lamar.com](mailto:jkelly@lamar.com)



### Employment History

**2014**

**Lamar Transit LLC – California Operations Manager**

- Coordinates day-to-day activities with the Market Manager, Office Manager and Transit Authority.
- Supervises and directs activities of California installation teams.
- Oversees safe operating procedures in accordance with Company policies specific transit contract guidelines.

**2010 - 2013**

**Staples Inc., Auburn, WA – SDO Manager**

- Responsible for all aspects of a fulfillment and delivery operation in the Seattle Washington Market.
- Lead a team of 3 Supervisors and 50 employees
- Direct P&L and operations responsibility.

**2009 to 2010**

**Staples Inc.- North West Region – Black Belt Designate**

- Helped drive company business strategy by managing projects that delivered sustained improved operating processes and reduced defects.

**2007 to 2009**

**Staples Inc.- North West Region – Fleet Support Manager**

- Supported the operations in the North West United States and Alaska in all areas
- Helped form business strategy, implement operating procedures and worked projects in all aspects of the business unit.

**1997 to 2006**

**Office Depot Inc. – Transportation Manager**

- 3 years Delivery Driver and Lead Delivery Driver experience.
- 7 years management experience in Order Fulfillment, Shipping, Customer Service and Small Package Delivery.
- Managed company delivery drivers and vehicles in all parts of San Francisco Bay Area.
- Managed Third party Delivery Vendors such as UPS, LTL and contract delivery.

**EDUCATION:** Yakima Valley Community College, Yakima, WA 1990-1991  
Chabot Community College, Hayward, CA 1991-1992

- Lean Six Sigma Black Belt certification
- JJ Keller Hazardous Material Certification
- Multiple training sessions in Human Resource based materials
- Class A CDL



## Bernard Kitchens

[bkitchens@lamar.com](mailto:bkitchens@lamar.com)



### Employment History

#### **2011- present      Lamar Transit – Office Manager**

- Promoted to Office Manager from Sales & Marketing Coordinator position in 2013.
- Provides administrative support for General Manager, sales management team and all California local Account Executives. Document creation, reporting, research, customer service.
- Provides training and coaching to new hires in relation to company policies, procedures, contract writing and analysis of information in CRM database.
- Collaborates with operations team to organize inventory and advertising placement on over 1,500 buses throughout the state using complex scheduling and tracking spreadsheets.
- Developed a successful strategy for managing Accounts Receivable in California, Utah and New Mexico.

#### **2007-2011      Pacific Gas and Elective/Amerit Consulting – Senior Administrative Clerk**

- Provided continuity in the Director's absence ensuring that all requests for action were prioritized and handled in a timely manner.
- dept at researching, analyzing, and synthesizing reports, policies, and other complex documentation and providing the principal with clear, concise summaries.
- Successfully managed principal's daily schedule including calendaring, scheduling meetings, and conference calls in addition to following up on requests and creating department wide communications.

#### **2006-2008      USG/California Wholesale Materials – Inventory Manager**

- Maintained and organized over \$36MM in building materials. Including analyzing and forecasting usage to prevent costly material shortages.
- Increased profitability by 25% during a nationwide steel shortage utilizing strategic forecasting and analysis and preventing costly material shortages and reducing project delays.
- Worked in concert with other branch locations to ensure adequate availability of high demand materials while effectively negotiating favorable pricing.
- Supervised, trained and developed a core team of 10 to 15 direct reports responsible for filling material orders, unloading trucks and performing monthly cycle counts.

#### **2006-2008      Acoustical Material Services – Inside Sales Representative**

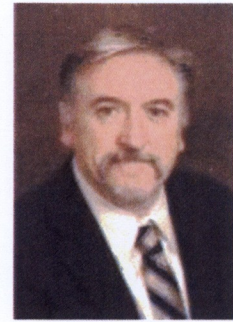
- Sales, service, and support for both customers and outside sales staff.
- Proven track record of providing increasing levels of customer satisfaction with a customer-focused, result driven approach.
- Effectively managed the prioritization of client-mandated needs and expectations in order to promote customer satisfaction and loyalty

**EDUCATION:**    **UNIVERSITY OF CALIFORNIA, LOS ANGELES 1999 – 2003**  
BUSINESS ECONOMICS WITH A CONCENTRATION IN ACCOUNTING (NO DEGREE)



## Liam Campbell

[lcampbell@lamar.com](mailto:lcampbell@lamar.com)



### Employment History

#### 2006-present

##### Lamar Transit Advertising - Transit Area Field Manager

- Supervises operations management for Lamar's Transit Division.
- Oversee the development and implementation of new products. Instrumental in managing a large-scale digital deployment for Vancouver, BC's Translink agency.
- Budget planning and review of capital expenditures and responsible for reconciling construction expenses against plan.
- Monitor compliance with Safety & Risk Management procedures.
- Ensure operational training is conducted as scheduled and that new market ramp-up procedures are established and followed.

#### 2005-2006

##### Lamar Transit Advertising, Canada - Operations/Production Manager

- Oversee day-to-day operation of all installations throughout the province of British Columbia.
- Schedule installation and removal of advertising materials.
- Supervise 16 Graphic Installers, 1 Installations Supervisor, and 3 Administrative personnel.
- Liaise with Transit Authority operations/marketing staff.
- Aid in the development of new product initiatives.

#### 2001-2005

##### Obie Media Ltd. - Operations/Production Manager

- Oversee day-to-day operation of all installations throughout the province of British Columbia.
- Schedule installation and removal of advertising materials.
- Supervise 16 Graphic Installers, 1 Installations Supervisor, and 3 Administrative personnel.
- Liaise with Transit Authority operations/marketing staff.
- Aid in the development of new product initiatives.

#### 1998-2001

##### Obie Media Ltd. - Transit Advertising Installer

- 3M Fleet Graphics certification
- Installed advertising materials including 3M vinyl products on transit vehicles, Skytrain vehicles, stations, Seabus and Albion Ferry.
- Union Job steward for 1 year.

#### 1983-1998

##### Pattison Outdoor - Transit Advertising Installer

- Installed various forms of advertising on transit buses and Skytrain vehicles.
- Union job steward for 15 years.

**EDUCATION: 30 years experience in the transit advertising industry**



## Cindy Blood

[cblood@lamar.com](mailto:cblood@lamar.com)



### Employment History

#### 2007-current

##### Lamar Transit Advertising – Director Transit Business Affairs

- Directs credit/risk management, billing and collections staff supporting Lamar's Transit Region.
- Calculates and issues monthly reports for all transit partners, authorizes payments and monitors status of revenue share.
- Works with Territory Managers and others to prepare budgets for existing and potential markets. Analyzes performance against monthly, quarterly and annual plans.
- Oversees Customer Relations Management (CRM) database.
- Designs and conducts training programs for sales and support personnel to ensure consistent practices and policy compliance.

#### 2005-2007

##### Lamar Transit Advertising – Regional Assistant

- Budget and financial analysis for executives in the Transit region.
- High-level administrative support and reporting for Regional Manager and eight General Managers across the country.
- Event coordination, development and delivery of training programs, cross-functional team building.

#### 2000-2004

##### Obie Media – Corporate Coordinator

- Administrative support, research and reporting for Vice President and Regional management.
- Scheduled display installations, maintained inventory and availability records.
- Sold Public Service Advertising to support local market sales goals.
- Customer service and sales support for three member sales team in home market.

#### 1989-2000

##### Structural Dynamics Research Corporation – Maintenance Sales Manager

##### CAMAX (acquired by SDRC) – Administrative Manager

##### Point Control Co. (acquired by CAMAX) – Sales Administration Coordinator

- Led sales team that received "Top Maintenance Sales" award for sales of more than \$4 million in both 1998 and 1999.
- Successfully led teams that defined and implemented plans to integrate business practices following multiple company acquisitions.
- Project support for VP, CFO and CTO as well as other field-based sales managers. Direct support for VP of sales based in Breda, The Netherlands.
- Extensive experience managing business relations with business partners in Latin America, Europe and Asia. Effectively resolved issues despite language differences. Repeated recognition for Responsiveness and Excellence in Service.

#### EDUCATION: Lane Community College

University of Oregon Continuation Center



## **~~DETAILED MARKETING PLAN AND SCHEDULE~~**

### **Entering the Market**

Upon notice to proceed from NCTPA, our existing California sales group will begin quoting NCTPA business to prospective customers.

Area Field Manager Liam Campbell and Operations Manager Jason Kelly will review the status of the bus fleet, other vehicles and structures. This will include establishing an inventory management system to track posted advertising in the market.

### **Phase 1 – Immediate to 45 days**

- Within 48 hours of the contract award we will send out an email announcement to all of our hundreds of national, regional and local advertising agencies.
- Issue a press release to publications with planning and media buying audiences as well as post announcements regarding the new offerings to our social media networks and websites.
- Include NCTPA transit advertising information on every national request for proposal (RFP) for the area. Our Bay Area offices currently respond to over 200 national sales RFPs each year.
- Schedule meetings with existing clients to assess current status and develop an understanding of their business requirements.

### **Short Term to 90 days**

- Develop specific NCTPA advertising collateral and targeted marketing materials.
- Schedule 100 appointments with new potential clients
- Meet with local advertising agencies to promote NCTPA opportunities.
- Commence ongoing market orientation with our local, regional and national sales team regarding the benefits of NCTPA advertising.
- Hold a “meet and greet” event to expose local advertising agencies to transit opportunities.

### **Phase 3 – Intermediate to 12 months**

- Schedule quarterly and annual meetings to discuss transit business with NCTPA at their discretion.
- Conduct an annual client event to foster relationships and long term business.



### Sales Plan

Lamar's sales plan will include a focus on annual contract sales direct to local businesses. This helps advertisers benefit from long-term exposure and product branding which ultimately delivers the best results. Because of this extended exposure, we experience customer loyalty along with some of the highest renewal rates in the industry.

Annual campaigns offer increased presence and visibility to local businesses on NCTPA and partner buses and shelters. This means that others will identify with the concept and acknowledge transit advertising as an attainable and valuable medium. More demand increases occupancy and holds rate integrity.

Selling advertising to local businesses on an annual basis also means we will generate a more predictable solid base of business on the books during non-peak selling months for regional and national business. This in turn provides stability to Lamar's overall sales.

We place an emphasis on hiring experienced sales people who live and work in the area. When we hire new personnel the following steps are taken to ensure they are appropriately educated in the local market product offerings. We actively promote on-going training programs as described below.

### Local Market Management

- Regardless of experience, every new sales person hired by Lamar Transit undergoes a 90-day training program dedicated exclusively to transit advertising products.
- Each week, every salesperson is expected to make 80 calls to prospective clients and schedule 8 viable sales presentations during that same period.
- Each salesperson is assigned monthly, quarterly and annual sales objectives specific to the market. They are compensated and evaluated on their performance against those goals.
- Weekly meetings are held with management to perform brainstorming activities, discuss prospecting, client solutions, goal-tracking and monitor inventory availability.
- Salespeople are required to provide clients a certified audit of their advertising campaign along with framed photographs of their advertising.
- Monthly sales meetings are conducted with the entire sales team to cover training topics, provide sales recognition and team-building.
- All sales people have direct access to a complete set of online marketing and research tools, and receive training on how to utilize that information in customer presentations.
- Real-time tracking programs are in place to determine production, shipping and installation of client advertising.





## Employee Training

We hire seasoned sales professionals that hold the same core values as both Lamar and our transit partners. New employees have the opportunity to attend training at our regional centers where they learn company/industry best practices. They also job shadow with successful Lamar sales personnel as they conduct presentations with prospective clients. Our Market Manager will participate in on-going training through weekly meetings with other markets including San Jose, San Mateo and Sacramento. Lamar also offers a Lamar Sales University program attended by all sales personnel.



Each Monday morning we conduct sales meetings where every individual reports on their personal sales status. Sales are reviewed in comparison to monthly, quarterly and annual goals. During this meeting we celebrate successes of the prior week and publish expectations for the current week. This is also an open forum for discussion of logistical topics between sales, operations and administrative personnel.

Every Thursday the sales team joins in a skills development training program. These sessions include competitive reviews where we analyze seasonal business trends, thriving business categories, and identify new out-of-home clients. We also examine effective advertising design used in recent campaigns to ensure we always deliver the best creative into the marketplace.

The last Thursday of every month we conduct a transit training session where sales employees nationwide join together for an on-line meeting. Sales Managers from throughout the region rotate responsibility for this program with the aim of fine-tuning skills required to manage the sales cycle.

Operations and installation personnel also attend mandatory safety meetings each month.







YEAR ONE	
Agency	Revenue Share Percentage**
NCTPA	45% revenue share, paid monthly
SOLTRANS	45% revenue share, paid monthly
DIXON READI-RIDE	45% revenue share, paid monthly
VACAVILLE CITY COACH	45% revenue share, paid monthly
FAIRFIELD AND SUISUN TRANSIT (FAST)	45% revenue share, paid monthly

**YEAR 2 Prepaid Guarantee:** Each participating agency will be issued an annual guarantee payment based on 50% of the revenue share total paid over the term of contract Year 1. This guarantee will be prepaid within 15 days following the commencement of Contract Year 2

**YEAR 2 Year End Revenue Share: 45%**

Within 15 days following the completion of Contract Year 2, a revenue share overage payment will be made to each participating agency where the calculation of 45% of net space sales for Contract Year 2 exceeds the prepaid guarantee issued to that agency at Contract Year 2 commencement. This true-up shall be the difference between the guarantee paid and the revenue share calculation.\*\*

**YEAR 3 Prepaid Guarantee:** Each participating agency will be issued an annual guarantee payment based on 50% of the revenue share total paid over the term of contract Year 2. This guarantee will be prepaid within 15 days following the commencement of Contract Year 3.

**YEAR 3 Year End Revenue Share: 45%**

Within 15 days following the completion of Contract Year 3, a revenue share overage payment will be made to each participating agency where the calculation of 45% of net space sales for Contract Year 2 exceeds the prepaid guarantee issued to that agency at Contract Year 3 commencement. This true-up shall be the difference between the guarantee paid and the revenue share calculation.\*\*

**Option Years:** The same methodology based on prior year revenue share calculations will be applied to calculating a prepaid guarantee amount in the option periods, provided the participating agencies accepts the option periods 90 days prior to the expiration of Contract Year 3. **Revenue share:** 45% to be payable as a true-up when the revenue share calculation at year end exceeds the prepaid guarantee, as described for Year 2 and Year 3.\*\*





*\*\*Revenue share calculation to be based on advertising space sales. The industry standard for the definition of net advertising space sales will apply. All agency commissions, art, production and installation fees shall be excluded from the gross sales revenues.*

**Example:** The following example is for demonstration purposes only and not to be considered as an estimate of expected performance nor a commitment regarding anticipated guarantees payable or revenue share calculations:

Year One Sales (SAMPLE)	Overall Revenue Share** paid monthly at 45%
\$75,000	\$33,750
\$75,000	\$33,750
\$75,000	\$33,750
\$75,000	\$33,750
\$75,000	\$33,750
<b>TOTAL: \$375,000</b>	<b>TOTAL: \$168,750</b>

Year 2 Prepaid Guarantee (SAMPLE)	Sales Year 2 (SAMPLE)	Year End Revenue Share** Calculation Year 2	Year 2 Overage True-Up (SAMPLE)	Year 3 Guarantee Calculation (SAMPLE)
\$33,750 x 50% = \$16,875 guarantee	\$200,000	\$200,000 x 45% = \$90,000	\$90,000 - \$16,875 = \$73,125 overage	\$90,000 x 50% = \$45,000 guarantee
\$33,750 x 50% = \$16,875 guarantee	\$100,000	\$100,000 x 45% = \$45,000	\$45,000 - \$16,875 = \$28,125 overage	\$45,000 x 50% = \$22,500 guarantee
\$33,750 x 50% = \$16,875 guarantee	\$75,000	\$75,000 x 45% = \$33,750	\$33,750 - \$16,875 = \$16,875 overage	\$33,750 x 50% = \$16,875 guarantee
\$33,750 x 50% = \$16,875 guarantee	\$50,000	\$50,000 x 45% = \$22,500	\$22,500 - \$16,875 = \$5,625 overage	\$22,500 x 50% = \$11,250 guarantee
\$33,750 x 50% = \$16,875 guarantee	\$25,000	\$25,000 x 45% = \$11,250	\$11,250 - \$16,875 = no overage due	\$11,250 x 50% = \$5,625 guarantee
<b>\$84,375 Year 2 Guarantee</b>	<b>\$450,000 Sales Year 2</b>	<b>\$202,500 Revenue Share</b>	<b>\$129,375 Overage True-up</b>	<b>\$101,250 guarantee Year 3</b>



## EXCEPTIONS TO THE AGREEMENT

If selected as NCTPA advertising Contractor, Lamar requests consideration to discuss several areas pertaining to the RFP. These include but are not limited to the following:

- **Section F Rights of Parties** indicates that NCTPA and its partners reserve the right to negotiate and contract separately with any, all or none of the Proposers responding to this RFP. Lamar's bid is contingent on acceptance by all partners listed in the joint Request.
- Lamar's bid is contingent on **approval to fully or partially wrap** curb-side, street-side, and rear of every vehicle save the front window, driver side window and front passenger window.
- **Revenue share calculations** are to be based on advertising space sales. The industry standard for the definition of net advertising space sales will apply. All agency commissions, art, production and installation fees shall be excluded from the gross sales revenues.
- **Employee Character and Fitness Item 9 in the Sample Agreement** includes a requirement on page 5 that is not permitted under Lamar's Human Resources policies. We do not conduct criminal background checks for any applicant or employee. We do have process in place to determine the character and fitness of our employees. These include:
  - Strong interview process by hiring managers
  - Reference checks of former employers
  - Pre-hire physicals and drug screens
  - On-going random drug screens
  - We follow all DOT regulations for DOT drivers, including annual physicals.
  - On-going annual reviews by managers.
- **Transition language** specifying the handling of business on the books at the end of the contract term should be included as part of the final agreement related to this award. Lamar proposes the industry standard 15% - 20% transition commission be paid to the outgoing vendor by the incoming vendor in exchange for the orderly transition of forward billing contracts. This commission should be payable for a period of six months following a contract transition.
- In regard to **Federal Required Contract Clauses Attachment D**: Our prior experience is that most transit advertising RFPs provide downloadable lists of the required forms for completion, and this option did not make itself readily apparent when referencing the NCTPA website. Lamar has provided all required documents of this nature for all RFP responses to other transit agencies and is fully capable of providing the required verifications upon receiving additional guidance from NCTPA as to any additional requirements relating to this response.
- Lamar has satisfied similar **insurance requirements** under our contracts with approximately 70 other transit agencies. Lamar will provide insurance coverage consistent with our corporate insurance policy. Should we be selected we will arrange a conversation between NCTPA and our insurance broker Marsh to discuss further details.

